FBIS DAILY REPORT

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GUATEMALAN PRESIDENT CLOSES C.A. SUMMIT

PA072323 Guatemala Domestic Service in Spanish 2100 GMT 7 Aug 87

[Speech by Guatemalan President Vinicio Cerezo Arevalo in Guatemala City, closing summit meeting of Central American presidents -- live]

[Text] Dear friends of Central America, dear friends and people of Guatemala, dear friends and people of the world:

We Guatemalans are very proud of the fact that Guatemala has served as host for a political agreement among the presidents of Central America. This agreement sets a new precedent in our region.

This is a concise agreement that fully reveals the true situation that we have been facing for many years and that we want to leave behind.

The meeting took place as it should; among legitimate political leaders of nations. Matters were discussed frankly and in detail. We have to acknowledge, for the benefit of history, the role that our foreign ministers, their political support groups, and our aides have played. They discussed every word and every paragraph. They defended, as they had to, the political and national interests of each of our nations. They expressed their doubts sincerely and frankly, and they demonstrated a special love for the people of Central America, for whom we are signing this agreement. If we are able to reach, ratify, and make this agreement work as it should, and as all the people of the world expect, we will set the basis of an economic and social development that will permit us to find solutions to the problems that the Central Americans have historically and traditionally endured.

Throughout our histroy, there has been a distrust, suspicion, and fear of being betrayed by such an agreement. However, at this point we reached the conclusions that our people, our friends, our families, and all the men and women of goodwill throughout the world are expecting an act of faith, an act of trust, and the will to secure peace.

I want to tell you that it was not easy, that all of us are aware that somehow in our countries and throughout the continent and in other regions outside the American continent there are people and political groups that lament the agreement we are signing today.

Passions and disagreements are going to be unleashed. We are aware of what we will be facing, of what we have to resolve. We are specially aware of our task to tell the world what we want to do, that we want to be the main actors and makers of our own history. We demand from other nations of the world understanding, tolerance, affection, solidarity, and especially respect for our will to build the peace that our people are hoping to be able to live properly, and our will to build democracy -- a pluralist, unified, and participative democracy.

We know what we will be facing, but we are prepared to overcome all obstacles. We know also that this is a manifestation of our will, a historic commitment. However, to turn it into reality, to make it work, and to implement it in the daily affairs of our nations, we will have to take some further steps. These steps are of great importance and they are envisaged in the document.

What was made evident in this ceremony and in this meeting is that political leaders who are aware of their commitments to the people they represent are capable of making a dream that has been in the hearts of all Central Americans for a long time, come true.

We want to demonstrate to the people of the world what we can do. We know that we had to make concessions that we had to accept facts we do not like. However, we can tell our people, that we placed above everything else the interests of the Central American region, of the majorities, of the future generations that must continue to build on what we are beginning to forge. The road to peace is long. Other nations of the world have unsuccessfully taken it. However, as of now, we are absolutely certain that we will be able to build the society about which we have always dreamed.

Today, in Guatemala, we can affirm -- counting on the heart of all Central Americans, and with the strength we have received from all of you, and from those who are listening to us, and from those who have dreamed with peace -- we can affirm that utopia is becoming a reality because we have the will, the goodwill, and the commitmnt to recover the peace that we have always loved in Central America.

I thank all of you. Without the decision, the enthusiasm, the solidarity, and the concern that the world has demonstrated, we would not have felt so enthusiastically disposed to reach an agreement that will be exemplary for future generations and that sets the basis for the construction of an international society of solidarity, respect, and peace.

Thank you very much for this meeting. [applause]

Ortega on Summit

PA080315 Managua Domestic Service in Spanish 0025 GMT 8 Aug 87

[News conference given by Nicaraguan President Daniel Ortega to unidentified reporters on airplane returning from Guatemala City before arriving in Managua -- recorded]

[Text] [Ortega] You are all familiar with the final document of the meeting in Guatemala, which we have called Esquipulas II; we feel it was a trial of the willingness and firmness of the Central American presidents. This is because this meeting undoubtedly indicates a degree of independence on the part of the Central Americans, and it shows the [word indistinct] intention to work in favor of a specific negotiated solution, with a very specific, very concrete proposal and already established deadlines.

[Reporter] How did you reach an agreement after so many differences [words indistinct].

[Ortega] No. I feel that despite everything, as I said, the awareness which the Central American leaders have about the seriousness of the situation in the region, demanded that (agreement) from us, because if we had failed, it would have meant that we would be tools of a policy of aggression that would continue to set the entire Central American region on fire.

[Question indistinct]

[Ortega] I think it is important to point out that the act is a first step, a momentous and historical step.

We cannot have too many expectations while the others maintain their policy of war against Nicaragua, while they maintain their warlike actions against Nicaragua. [Words indistinct] has not been cleared up yet. Now there must be a period of discussion to implement these agreements, and it is most likely that during this period the United States will attempt to boycott these attempts and will try to strengthen its (?terrorist) activity against Nicaragua.

[Reporter] Do you feel that the Central American agreement will be able to prevent or reduce the U.S. boycott action?

[Ortega] We hope that the U.S. Government will, for the first time, act reasonably, that it will respect this decision adopted by the Central American presidents, and will leave us alone. If the U.S. Government is willing to respect the desire of the Central American leaders, then the first thing it must do is accept the decision of the International Court of Justice [ICJ], cease the aggression against Nicaragua, and President Reagan would have to stop financing and stop requesting funds for the contras, and sit down and negotiate seriously with Nicaragua.

[Reporter] Commander, I want to ask you a question: Do those documents signed today in Guatemala in any way affect the historical program of the Nicaraguan FSLN?

[Ortega] In no way. The FSLN's historical program is explicit regarding the democratization process, the mixed economy, the policy of nonalignment, and what has already been established in our Constitution. If we are able to achieve peace and are able to put an end to war, then we will have the necessary conditions to better implement our democracy, and, above all, to pay attention to the needs of the economy.

[Reporter] Some people have said that you had your back against the wall and you signed agreements harmful to the revolution.

[Ortega] I do not know who could have said that because those we put against the wall are those who favor the war. This is a victory for those of use who favor peace. I insist, however, that we cannot have great expectations and say that peace has already come to Central America. This is a first great step, a historical and fundamental one, but in the meantime, the Nicaraguan people have the obligation to remain in a state of alert, combative, confronting the mercenary forces and defeating them until compliance with the peace agreement has been enforced. While the peace agreement is not enforced, we must [words indistinct].

[Reporter] What benefits can the signing of this agreement bring to other Central American countries, for example, Honduras and El Salvador?

[Ortega] Well, this can bring about effective negotiation processes in El Salvador. Honduras would be free from the pressure represented by the presence of the mercenaries in its territory, which is already causing confrontations with inhabitants of entire villages in Honduras who have taken up arms against the mercenaries. Undoubtedly, this has an effect on the whole Central American region and Latin America, because there is great concern about the U.S. escalation and the threat of intervention by U.S. troops, which is a threat that continues to exist in Central America today.

[Question indistinct]

[Ortega] Well, let us wait and see what the United States has to say. The United States will have to act with concrete actions, not words. It will have to act by deciding to accept the court decision and ceasing its aggression against Nicaragua.

[Reporter] President Cerezo said very candidly this afternoon that all the presidents had to accept certain realities, and that they had to listen to one another. What concessions did Nicaragua have to make, because President Cerezo said that concessions had been made. And secondly, what immediate practical actions will the implementation of these agreements bring to Nicaragua?

[Ortega] We sought a consensus, and we do not think that we made any concessions by seeking a consensus. We worked to achieve a consensus and, of course, to achieve peace. Consequently, if we read the document's contents, we will find that we have decided to adopt a series of measures to achieve peace, and we achieved a consensus on this. I would not talk about concessions; I would talk about reasoning and exerting ourselves to achieve a goal.

Of course, if someone is subject to pressure [words indistinct] what we did was make an effort to defeat these pressures.

[Reporter] (?What role will Contadora play) and [passage indistinct]?

[Ortega] Contadora will participate actively in the discussion of the topics stated in the agreement reached among the states.

[Reporter] [Words indistinct] as president, to have brought independent reporters?

[Ortega] We have brought them on other occasions. I believe this is not the first time independent reporters have come here. I believe it is good to bring independent reporters to this type of meeting. On other occasions, we have had problems with food and space, and now we must [words indistinct]

[Reporter] [Words indistinct] from the EPS?

[Ortega] [Answer indistinct]

[Reporter] Does the United States have the last word in today's agreement?

[Ortega] No. The Central Americans have the last word, as does the United States because they are involved in the context. [sentence as heard] The future of the peace negotiations will be determined by the attitude adopted by U.S. leaders.

[Reporter] Do you think there is a possibility that this agreement will fail?

[Ortega] We must wait. I feel that this has been a very important and historic step, because it has established a policy of independence on the part of the Central American leaders. However, we have a great deal of work ahead of us. We have not yet achieved peace in Central America. There is still the aggression against Nicaragua; the U.S. president is requesting more funds to continue waging the war against Nicaragua; and there is the threat of an invasion by U.S. troops. We have stated the desire to talk with the United States, but Reagan has countered with an initiative. Therefore, we should be realistic and understand that (?important steps have been taken), but there is still a great deal left to be done before peace is achieved in the Central American region, and the Nicaraguan people must continue waging their firm and brave struggle on all of the fronts, with the assurance that peace will be achieved.

UNCTAD TO VOTE ON HAVANA DECLARATION PROPOSALS

FL311710 Havana Radio Rebelde Network in Spanish 1700 GMT 30 Jul 87

[Text] The developing countries that make up the Group of 77, chaired by Cuba, decided today to submit almost all of the original proposals in the Havana declaration to the seventh UNCTAD for voting as final resolutions. The United States has stated it does not agree with the declaration, which sums up the interest of the Third World in the (?fields) of trade and development, or with the method of voting. However, obedience to Washington is past history in almost all international forums. The industrialized capitalist countries, especially the United States, Great Britain, and West Germany, have refused to support agreements that would help deal with the grave international economic problems. The experts believe that agreements could only be reached on the topics referred to: the foreign debt and financial resources.

Peruvian Ambassador (Osvaldo Rivero), spokesman for the Group of 77, stated that as far as financial resources are concerned,, the document shows significant progress, although he did not give details. As for the foreign debt, he said they had a document that was quite advanced and that recognized that each country would pay the debt in accordance with its ability to pay. He added they also agreed to come up with a global strategy on the debt, which cannot be based only on the debtor countries' adjustment. Greater flexibility in rescheduling is necessary (Rivero) stressed negotiations are paralyzed on raw materials and trade. Cuba has charged the United States wants to detract from the importance of the seventh UNCTAD, which should end today in Geneva. The sessions may be extended because of the many points of divergence between developed and underdeveloped countries.

Meeting Ends in 'U.S. Defeat'

FL031855 Havana Radio Rebelde Network in Spanish 1700 GMT 3 Aug 87

[Text] UNCTAD, which ended just a short while ago, chalked up among its achievements the defeat of the United States in the latter's attempt to destroy this organization, created to foment development. Following intensive and laborious negotiations which lasted 3 more days than planned, the countries of the Group of 77 were able to preserve the forum as a stage for North-South dialogue.

The final declaration noted the joint responsibility of creditors and debtors and said the international financial organs must take the situation of developing countries into account in renegotiating their foreign debts. The debt and the reactivation of the UNCTAD were among the points rejected by the United States, which ended up all alone at the meeting. Concluding the negotiations early this morning, many Latin American delegates declared that predictions the UNCTAD would break down had been proved wrong. They recognized that in its attempt to slight the conference, the United States sent a very low level delegation. However, that move made them lose the game, because the head of the American delegation had no negotiating power with the Third World ministers who backed their Havana proposals.

Another factor mentioned as the reason for the weakened American position was the division among its Western partners. The American representative made such an aggressive and provocative speech at the plenary meeting that some developing countries, which had remained apathetic throughout the discussions, assumed radical positions in response to the words that in many cases showed lack of respect.

CARICOM CHAIRMAN URGES SUPPORT FOR CBI AMENDMENT

FL071446 Kingston Domestic Service in English 1200 GMT 7 Aug 87

[Text] The Chairman of the Caribbean Community, Caricom, St Lucian Prime Minister John Compton, says governments of the region must now mount a lobby in Washington in support of a proposed amendment to broaden and strengthen the Caribbean Basin Initiative, the CBI. He was responding to [name indistinct] announcement that the bill to amend the CBI has been introduced in the U.S. House of Representatives.

[Begin Compton recording] It's obvious that the criticism we have made generally on the CBI, which is not working -- we're not getting the benefits that we expected -- is getting home and the American Congress has been sensitized to the problem and I think it's a good thing that they're looking at the CBI and trying to improve on it.

You know, if it... [changes thought] no one makes a perfect instrument and (?it's) a dynamic situation. Once the problems arise and there is a will to address the problem, then there's hope and now we've seen the American Congress; there's that will to address the problems of the CBI. [end recording]

St Lucia's Prime Minister John Compton.

The bill in the U.S. House of Representatives is seeking to remove the restrictions on textiles, which on the U.S. [words indistinct] at 1984 levels, would lengthen the life of the CBI.

HAITI

PUCH COMMENTS ON CRISIS, BACCALAUREATE EXAMS

FL080013 Port-au-Prince Radio Metropole in Creole 1600 GMT 7 Aug 87

[All passages within quotation marks recorded]

[Text] The Unified Party of Haitian Communists [PUCH] held a press conference this morning at its headquarters to set forth the party's opinion on the current situation in the country -- the crisis that has reigned in Haiti for some time. PUCH secretary general Rene Theodore talked about the campaign to discredit Communists being waged by preachers and many other people and sectors throughout Haiti. He said that if anyone has a right to speak out and tell the Haitian People what communism is, it is the Communists themselves, not preachers, priests, or anyone else.

When asked a question about the baccalaureate exams scheduled for Monday, 10 August, Theodore made the following statement:

[Theodore] "In that connection, we must say we are against the baccalaureate exams being held on Monday because the atmosphere in the country does not lend itself to that. There is not enough security for students to risk venturing out to take a baccalaureat exam. Despite all the generosity of today's youth, when they realize that their future is at stake in the current political battle, their concern does not lead them to feel either willing or in a position to be thinking about a baccalaureate exam. They are, rather, thinking about politics and about the country's future.

However, we are not against baccalaureate exams in general. We think that if the political problems are resolved -- if there is a good lull in the political situation, if trust is restored between the people and a government -- a different government that is deserving of that trust -- then the baccalaureate exams should indeed be held. It is possible to hold them, and it is even necessary for them to be held, so graduations can occur in a regular manner, and so the country can, further along the line, count on a younger generation that has received the necessary education.

However, on Monday, we think it is an extremely risky business. The baccalaureate exams should really not be held. The government should have understood that at least once, it should have respected the opinion of the majority. That majority is hesitating -- I mean the people concerned because they are either exam candidates or teachers, or instructors or parents of exam candidates. They don't want to; and they have already said they won't. Respect them. Don't hold the baccalaureat exams. That is what democracy is all about, in connection with this matter. I am clear on this point when I say there must be a climate of political trust.

We have already said that no political trust can be established with this provisional National Government Council [CNG]. So we support the students' decision not to take the baccalaureate exams under this CNG, because trust cannot be established with this CNG. A guitar string has been broken.

We have already said on several occasions that we feel there is no point in replacing the existing CNG with a system of goverment that is as illegitimate as the CNG is, but that it would be a good idea to take into account the development of the struggle in the country -- what each geographic department is contributing to this big battle, and also to take into account the great demand for a decentralization of power that has existed in Haiti from the time of the Duvaliers (?if not even earlier) to the present -- so that we could have a different CNG, made up of representatives from the nine geographical departments. That is our opinion.

Nevertheless, we think there exists a possibility of forming a government other than the one I just mentioned, in which there would be other sectors. Such a government could include other institutions which might have people of credibility who could make up the government together with the representatives of the nine departments. It is possible. That is why we say that one of the fundamental things at this point is to manage to have the people's demands that are being expressed nationwide met, taking into account the geographical departments, associations, organizations, committees -- all the different kinds of committees -- in order to manage today, together, to draft a democratic program -- which already more or less corresponds to the programs of certain political parties and organizations, but which we can refine to arrive at a nationwide organization of the people's movement and thereby come up with a political alternative that will be supported by, and promoted by the entire democratic sector. This will give it authenticity and credibility."

That was PUCH Secretary General Rene Theodore's opinion on the baccalaureate exams to be held on Monday. However, the baccalaureate exams were not the only topic discussed during the press conference. The crisis in Haiti was also discussed. As you know, elections are supposed to be held soon. The communists also talked about PUCH's position on this matter.

[Unidentified speaker, in progress] "...answer that question. The PUCH has its defined role. You have its program in your hands. As you know, the PUCH is a party that has been struggling for a long time -- under the Duvalier dictatorship, under Jean-Claude Duvalier, and again today, under the CNG -- so that the primary, fundamental demands of the people can be presented as a democratic alternative within the framework of a truly democratic, progressive government.

So, should the people choose democratic candidates, choose the communists, we will still be within a framework -- just like we say in our program. We will constitute a great national, democratic, and people's front; and we will assume our responsibilities through all Haitian government institutions, as ordered by the Constitution of 1987, so we can -- with all true democrats -- work toward the social improvement of the Haitian people to fulfill its democratic demands. If we do not do this, we really cannot take a single step forward."

[Reporter] "So, if I understand you correctly -- excuse me, but are you saying you will support any candidate the people want? I'm sorry, but could you explain a little more clearly? If the people are behind a certain candidate, you, the PUCH, will take the side of the people and support that candidate, too? Is that it? I'm not sure I understand."

[Speaker] "In a country which has ratified a constitution, when we say that today -- because there is a nuance involved here, not a trap. There are nuances involved here. We are a normal country. We gave ourselves a constitution in a highly-disciplined and very civilized manner. The entire world applauded. So, one day, in the battle we are waging, we must expect to [changes thought] ...we are struggling so we can have a normal government, a democratic government the people itself will have chosen, hopefully, through elections. But we do not think elections can be held just under any old conditions. We do not like to think that fraudulent elections could be held because this would constitute a coup to the people and the people could be left without the possibility of joining the nation's institutions in order to make its demands heard -- do you understand? -- so the national institutions can operate for the benefit of the people; so they can serve the people; so democracy can stop running and fighting in the streets and enter the institutions in order to serve the people.

It isn't a matter of "excuse me" or of "I don't understand". Indeed we hope the people will employ all the democratic sources available, including the electoral process -- but under normal conditions -- so it can establish a democratic government able to help satisfy its own needs."

That was from the PUCH press conference held this morning at PUCH headquarters on the Rue Champ de Mars.

PPNH LEADER MISSING; ARMY'S BEHAVIOR CRITICIZED

FL072334 Port-au-Prince Radio Metropole in Creole 1600 GMT 7 Aug 87

[Correspondent Ertho Zamor reports from Jeremie]

[Excerpts] First, in regards to the Sansaricq affair, the question everyone is asking is where the leader of the National People's Party of Haiti [PPNH] has gone. We repeat that journalists can provide no information whatsoever. All members of the press who would like to enter the area where they think Bernard Sansaricq might have gone don't dare do it because of the Army, which seems to feel that all civilians are accomplices of Sansaricq. However, a peasant from Castillon, recently told the press a helicopter had taken Bernard Sansaricq away.

The peasants are saying that now their eyes have been opened. They heard the Army general headquarters ask for their help in catching Bernard Sansaricq. Those days are over. No peasant is going to take his machete to chop off people's heads anymore. [passage omitted]

They continue by saying that national and international public opinion should make some kind of statement regarding this matter. They don't need to wait until Bernard Sansaricq dies, like Eugene Athis, so they can call him a hero and provide him a nice coffin. A man like Bernard, who is crying out for justice, should not die in the clutches of those monsters.

As we said, this is what people in Bois Sec, Castillon and (Puslin) are saying on the Bernard Sansaricq affair. [passage omitted]

Yesterday afternoon, the population of Jeremie was very indignant because of the heavy-handed behavior of the Army. At 1300, three truckloads of soldiers surrounded Saint-Antoine Hospital in Jeremie to seize a patient who received five bullet wounds on Monday 5 August [date as received] -- the day the Army surrounded Sansaricq. Yves Joachim underwent surgery 2 days ago. When the doctors refused to hand over the patient, the soldiers leveled their guns at the hospital personnel and doctors, whom they accused of being rebels. Then they pulled the I.V. out of the patient's arms and threw him into a pickup truck and a few minutes later, a helicopter took Yves off to Port-au-Prince. The heavy-handed act deepened the already-existing chasm between the government and the people. [passage omitted]

ASSOCIATION CALLS FOR PEACE; URGES PEOPLE TO VOTE

FL072239 Port-au-Prince Radio Metropole in Creole 1600 GMT 7 Aug 87

[Text] We have received a note from the Association for the Defense of the Constitution.

The Association says it met to reflect upon Haiti's situation and that what it is seeing is that all those who had urged the people not to vote for the Constitution are the ones who are now claiming to be defending the Constitution and are sending people out to die in the streets. They are saying that there will be no elections under the CNF but what they are not telling the people is that the Constitution has taken elections out of the hands of the government.

The note continues: It is not the prefects, the commandants, or the CNG who are going to be responsible for the elections. Those people cannot have anything to do with them. It is another organization known as the Provisional Electoral Council [CEP], which has nothing whatsoever to do with the government, and which is going to be responsible for holding elections. The people will be able to monitor it.

What does democracy mean? The note replies: respecting the law. What is the country's basic law? The note answers: the Constitution the people ratified. We say to the people: do not let anyone brainwash you and lead you astray. Settle down, in the same way you settled down to ratify the Constitution, instead of listening to people trying to get you to reject the Constitution because they could never live with it. Install peace in the villages and the communal sections. Get together with the CEP to hold elections. Give it your help so the elections will be open and honest, the way the Constitution requires.

The note is signed by Dr Louis E Roy, president of the Association for the Defense of the Constitution and Eddy Saint Pierre, the association's vice president; and bears the names of members of the association.

ELECTORAL COUNCIL PRESENTS FINAL ELECTORAL LAW

PA070352 Paris AFP in Spanish 0058 GMT 7 Aug 87

[Text] Port-au-Prince, 6 Aug (AFP) -- The Provisional Electoral Council (CEP), which is responsible for organization and supervision of general elections scheduled for this year in Haiti, officially presented the CNG a final electoral law that will govern those elections, it was officially announced today in Port-au-Prince.

Emmanuel Ambroise, one of the nine members of CEP, told AFP the law was accompanied by a letter in which the CEP establishes, before the CNG, its position "of total independence toward the executive."

"We have taken into consideration the suggestions of all sectors, including the government, in the final draft of the law," Ambroise pointed out.

"We are the reflection of the Constitution," Ambroise said. He pointed out that the CEP demands "in the strictest way that the 7 February 1988 date, specified by the Constitution, for the swearing in of the new president-elect be respected. [quotation mark as received]

Ambroise described as "symbolic" the freeing of $200,000 out of $8 million needed to carry out democratic elections. He added that the CEP will not use this sum unless there is "an absolute guarantee" that the government will swiftly hand them the rest of the electoral budget.

Meanwhile, there was still confusion today over the case of Bernard Sansaricq, CNG opponent, accused by the Army of having fired at soldiers after they had just carried out an inquiry at the hotel in which he was lodged in Jeremie (in southwestern Haiti).

Local accounts carried by Haitian stations state that, contrary to the Army report, Sansariq and his group were not armed and did not open fire, but the military men did.

GONAIVES TO HOLD 10 AUG DEMONSTRATION

FL071723 Port-au-Prince Domestic Service in Creole 1300 GMT 7 Aug 87

[Report by correspondent (Jessy Lionel Joseph) from Gonaives]

[Text] The little battles -- unimportant little skirmishes -- that occurred in the past between Raboteau and Ka Soley, between Gonaives and the people in the area around the l'Estere Bridge, were only training for the big final battle to get rid of the provisional CNG/Paul/drugs [allusion to Dessalines Barracks commander Colonel Jean Claude Paul, whose former wife was arrested some time ago on a drug charge in Miami]. Gonaives will rise up firmly and solidly early Monday morning to show the Haitian people what the statement "Gonaives is slippery ground" means.

That important declaration, made by a Gonaives militant in a Raboteau public square known as Freedom Square, has given everyone a feeling of what Monday, 10 August, is going to be like in Gonaives, the City of Both Independences.

That statement was made during a big mass meeting held yesterday afternoon 6 Aug, at the personal order of Jean Tatoune [not further identified] himself. The purpose of that meeting was to bring together all the solid, vital forces in the city so they could end the counterproductive division existing -- over a matter of money which some of them have allegedly received -- among the men who are supposed to be the hub of the city's revolutionary movement.

The master of ceremonies for that meeting, attended by almost 1,000 people, was a young student who is apparently a member of the democratic movement, Michel Richardson Narcisse. He made a long speech on the reasons for holding the mass meeting and said outright that this business of the baccalaureate exams Minister Patrice Dalencourt is so anxious to hold, constitutes a last political ace up the provisional CNG's sleeve; but that Gonaives, the city which is the leader of the revolution, will not go along with it.

After the crowd had finished singing a verse of our national anthem and observed a minute of silence in honor of the martyrs of freedom Gonaives has contributed -- Jean Robert [Sius], Daniel Israel, [Mackinson] Michel, and Pollux Saint-Jean -- Richardson Narcisse said all patriots who wished to come forward and express their feelings in an orderly and disciplined manner could do so. And that is how, under Freedom Square's old kiosk, many speakers took the stand. All of them had a bombshell -- some dynamite, as they put it -- which they said should explode in the ears of all the CNG members, so they can see it is time for them to step down.

We will give you some of the better-known names among the speakers: Serge Jean-Baptiste, Saint Pierre Johnny, president of the city's progressive committee; (Joe Richie); (Zlovel Saint Vil); (Joe Lina); Roland Lespinasse; and Jean Tatoune, who said publicly that the commander of the military department of Gonaives, Lieutenant Colonel Gambetta Hyppolite, was out to intimidate him, but that, this would not prevent him from taking over the demonstrators, as he used to.

According to what all these people said, not a feather will move in Gonaives this coming Monday, 10 August. There will bo no marketplace activity, open stores or public offices, public transportation, or exams. Life will be immobilized, and there will be an impressive first-class demonstration.

VICE PRESIDENT CASTILLO DISCUSSES ARIAS PLAN

PA051912 Guatemala PRENSA LIBRE in Spanish 2 Aug 87 p 2

[Report on telephone interview with Salvadoran Vice President Rodolfo Castillo Claramount by Jose Eduardo Zarco in San Salvador on 1 August]

[Text] During an interview held yesterday in his office, Salvadoran Vice President Rodolfo Castillo Claramount said: I do not think the new peace proposal for Central America introduced by Honduras during the meeting held in Tegucigalpa will affect the goals of the summit meeting of Central American presidents. He added: As a matter of fact, I am unfamiliar with the proposal. I learned about it this morning in the newspapers. I don't think it will affect the presidents meeting in Guatemala on 6 and 7 August.

[Zarco] How do you feel about the visit by Nicaraguan contra leader Azucena Ferrey? Do you think a democratic government can regard a dictatorship with neutrality.

[Castillo] I personally know Azucena. She fought against the Somoza dictatorship. I think a democrat, no matter what group, always believes in the same thing. Therefore, I think one cannot accept or encourage a totalitarian dictatorship such as the one in Nicaragua. In Nicaragua, the Sandinists are Marxists-Leninists who export the revolutionary model to the democratic governments of the area, as a matter of principle, and destroy the democratic expectations of the Central American peoples. As for the Nicaraguan people, I do not think they are less democratic than the other countries -- it is the Ortega government that is Marxist-Leninist.

[Zarco] Regarding the Arias plan, do you feel one of its points is that the Nicaraguan and Salvadoran guerrillas are regarded under the same terms?

[Castillo] I do not think the Arias plan views both movements under the same terms. I do not think that is possible because Arias comes from a country where democracy has existed for 100 years. In addition, he is a very intelligent and capable man. What happened was that he had to use very broad terms in his plan. Therefore, the Salvadoran guerrillas cannot be compared under any circumstances with the Nicaraguan guerrillas.

[Zarco] What do you think the conclusions of the Esquipulas summit meeting will be? Will something specific be achieved?

[Castillo] Basically, we believe dialogue and developing nationality [nacionalidad] is better than brutality and war. We believe dialogue and these meetings are positive. From this vantage point, we can establish who has a positive and humble intention of seeking peace in the area. I reiterate that Nicaragua does not want peace in Central America.

[Zarco] Can we then say that the other Central American countries are making a political offer, and Nicaragua has to answer?

[Castillo] You are defining it very well. That has always been the problem. The democratic presidents of the area have been urged to provide answers for what they are going to do, when Nicaragua's Daniel Ortega is the one who should be questioned. Ortega is the one with a totalitarian view. He had fraudulent elections. He is a leader lacking legitimacy from the source. He cannot hold a dialogue with people sharing his own style of ruling. [sentence as published]

[Zarco] What proposals will El Salvador make to the Arias plan?

[Castillo] President Duarte must answer that question, because he decides our foreign policy. It is not within my purview to raise any objections on the matter.

PRESIDENT DUARTE ISSUES APPEAL TO REBELS

PA080418 Panama City ACAN in Spanish 0340 GMT 8 Aug 87

[Excerpts] San Salvador, 7 Aug (ACAN-EFE) -- Salvadoran President Jose Napoleon Duarte today issued an appeal to the "people up in arms," urging them to give up violence and join the democratic process. [passage omitted]

The president was interviewed by a local television channel upon his arrival at the military airport at Ilopango. He explained that the main Salvadoran contribution to the document was the "topic of a simultaneous implementation," which was included in the peace document signed by the five presidents. Duarte said the presidential summit was "a success," not only for El Salvador, but also for Central America "in the search for peace."

The Salvadoran guerrillas have yet to state their position concerning the presidential summit's conclusions and the appeal to give up the struggle and join the democratic process.

FDR Studying Document

PA100210 Paris AFP in Spanish 1916 GMT 9 Aug 87

[Text] San Salvador, 9 Aug (AFP) -- The Salvadoran rebels will "carefully" study the document signed on Friday in Guatemala by the Central American presidents in order to issue an official statement, FDR President Guillermo Ungo said today.

In a telephone interview from Panama and broadcast by Radio YSU of San Salvador, Ungo said "we are analyzing the agreements. We want to see how it refers to us and to Nicaragua." The FDR leader advised "that at any rate, detente in El Salvador will be the responsibility of President Napoleon Duarte. We did not go to Guatemala, and we have not signed any agreements." Ungo said: "If Duarte does not meet the commitments, he will be making a fool of himself, once again. We hope that will change. If he has not changed, then the summit has not meant anything and Duarte will have signed something he is not willing to carry out."

The agreements of Guatemala establish that the FMLN and the Nicaraguan "contras" will not be included in the dialogue if they reject a cease-fire and an amnesty that the Salvadoran and Nicaraguan Governments will have to decree.

Ungo feels if the document is enforced in a symmetric [simetrica] manner, "we would be stepping back and Duarte would be given the banner for not holding the dialogue, although it is recognized that the Salvadoran parties involved are the guerrillas and the government." However, the opposition leader said he was optimistic about the results of the summit and said the FDR-FMLN might have an official pronouncement ready by Thursday, inasmuch as it is difficult to have "fluid" methods of communications with the rebel commanders.

Upon returning from Guatemala, President Duarte held a news conference and said he will initiate a dialogue to seek peace in El Salvador, as long as the rebels lay down their weapons and join the democratic process.

Commenting on the statements by the president, Ungo said from the time the government and the guerrillas held talks in 1984 in La Palma and Ayagualo, the president has changed his stand "of holding conversations without any prior conditions to a dialogue conditioned to surrender."

Regarding the formation of a national reconciliation commission proposed in the Guatemalan document, Ungo clearly said that in El Salvador Archbishop Arturo Rivera y Damas is the mediator between the guerrillas and the government, and therefore a list of candidates including bishops "would mean taking a step backward in history." The FDR president said this would allow the summit to seek only "conditions for dialogue and political solution in Nicaragua, and for deepening and prolonging the war in El Salvador. That has not been the idea the presidents had in their peace projects."

According to Ungo, the regional issue in the Salvadoran aspect is the least determining one, but it is for Nicaragua, and it would be important if "the Reagan administration ceased sending aid to the 'contras' as a result of the Guatemala document."

Ungo called on all sectors of Salvadoran society to continue with the mobilization "of all our resources, forces, actions, and initiatives in favor of resuming dialogue in the search for a political and just resolution of the armed conflict." Ungo added that detente in El Salvador "is in our hands, and not in the hands of Presidents (Jose) Azcona, (Vinicio) Cerezo, (Oscar) Arias, and (Daniel) Ortega. They can do very little, because we Salvadorans are the ones who must and can find the solution." "However, our position is that of supporting all efforts and initiatives that contribute to detente," the Salvadoran rebel leader emphasized.

CEREZO: SUMMIT MARKS BEGINNING OF 'LONG ROAD'

PA060355 Guatemala City Cadena de Emisoras Unidas in Spanish 0250 GMT 6 Aug 87

[News conference with President Vinicio Cerezo by unidentified national and international reporters in Guatemala City -- live]

[Text] [Cerezo] Welcome to Guatemala, reporters, friends. You might imagine the pride we Guatemalans feel today upon becoming the seat of an effort that will be made by the Central American presidents to find paths that will lead to the consolidation of peace in Central America. For many years, during the electoral campaign in Guatemala, and the struggle we Guatemalans have waged to attain democracy, and to find a path to resolve our differences through dialogue, discussion, and concerted effort, we have always insisted on a statement that is essential: The assertion that violence is not a good business for Central Americans.

We are at a moment in history in which we should initiate a process of development that will pay, with interest, the social debt we have with the large majorities of the Central American people. To pay this social debt we must make a great deal of effort in the political and economic fields. To make these efforts we should take full advantage of the only resources we are sure of: natural and human resources. Both are generally destroyed by confrontations, polarization, and violence. We are tired of this. We want to build a society in which we can live in peace and bequeath smiles and not hatred to future generations.

Because of this, we should make an effort to build a society like the one I have described in Guatemala. I see this as a duty and a need, because a democracy and nation should be strengthened upon the bases of peace, understanding, and the respect of other nations. This is why Guatemala has maintained a policy of active neutrality. I believe that in response to confrontation we should advocate agreement and dialogue, that we should not refrain from doing something. We want to make this effort, especially without imagination. [sentence as heard] I feel this is the beginning of a long road, and why not say so -- it has been a long path of violence and confrontation -- and that is why I feel that tomorrow we will take a step toward achieving the basic objectives of our effort to attain peace. First, we must converse, we must candidly express our thoughts and differences because these differences exist and we must detect them. We must openly confess the desire to have our way of thinking respected in each country. We must ratify and assert the self-determination of people.

In the second place, we must achieve our goal. The discussion of the things that are going to happen in Central American should be brought to Central America. It should cease to be the center of discussions in other parts of the world. If the future of Central America is to be decided, we must have something to say in the discussion. We are at your disposal for any questions you may have. Thank you for being at this conference.

[Moderator] Accompanying the president is presidential spokesman Julio Santos, and Mrs Claudia Arenas, secretary of public relations at the presidency.

Those who want to ask questions, please write your name and that of the organization you represent on a slip of paper, just as 50 of the reporters present here have already done.

Walter Hermosilla of TELEPRENSA, please. We repeat, the right hand microphones are for the use of the reporters on that side, while the microphones on the left side are for the reporters on that side. This is for your convenience.

[Hermosilla] Mr President, Mr Reagan's peace plan was made public yesterday. Does this interfere with the Central American countries' policies? In addition, Mr Daniel Ortega has voiced willingness to hold talks in Nicaragua, Washington, or a neutral country. Could this latter country be Guatemala?

[Cerezo] First of all, I want to say there is no reason to interrupt our discussion. We are meeting to debate the Central American presidents' peace proposals. Later, we will discuss the peace proposals of President Reagan or of other countries. We view with favor every effort to keep the door open for dialogue, either on a multilateral or bilateral basis.

[Moderator] Marta Amaya, of Mexico's EXCELSIOR.

[Amaya] Mr President, what do the presidents expect to achieve tomorrow? Specifically, what will they consider? What kind of document do they already have?

[Cerezo] We expect to confirm the Central American presidents' determination to achieve peace. We have said that the fundamental part of every effort is the determination to (?reach an agreement.) I think this determination exists. This is why I feel optimistic about this meeting. In general, I feel optimistic. This is one of my weaknesses [as heard], which I cannot avoid. The second thing we want to do is discuss, as the basis for this general debate, President Arias' plan. Of course we will also consider the possible amendments that will be proposed. I am under the impression that the topics that will merit special attention by the presidents will be the so-called national conciliation; disarmament or control of the arms race; and the democratization process in Nicaragua, or the consolidation of the processes, as the case may be. I do not want to take a stance on this. Fundamentally, we will consider the presidents' agreeing not to support from their territories any action aimed at encouraging confrontation in another Central American nation. I think these will be the main topics discussed.

[Moderator] Julio Armando Valdes of HRN of Honduras. Then, Ruben Tumach Sierra of Aqui El Mundo.

[Valdes] Thank you. Mr President, the peace plan presented by the U.S. Government says in one of its final paragraphs that if the negotiation process does not make progress, the parties involved would feel free to initiate the actions they deem necessary to protect their interests. This could be interpreted as a possible armed confrontation in the Central American area, should the parties involved not reach an agreement in this negotiation process.

[Cerezo] I have pointed out that the plan has interesting things requiring analysis. Yet this paragraph seems entirely unnecessary to me. Should no agreement be reached by the parties involved, any one could choose the kind of action to be taken to protect itself. This is what we are trying to avoid because a unilateral decision by any one country could surely lead to a confrontation. Tomorrow's meeting has the goal of not breaking the dialogue. Maintaining the dialogue is keeping the door open for the resolution of the problems without any confrontation.

[Moderator] Ruben Tumach Sierra of Aqui El Mundo and then Jose Comac of EL PAIS.

[Tumach Sierra] Mr President, we have President Arias' proposal, the additions made by the other governments, and now President Reagan's proposal. Do you think peace will be achieved in this meeting? Will there be a third such meeting, an Esquipulas III?

[Cerezo] The Arias proposal includes the possibility of another presidents' summit. I would say Guatemala is in favor of the presidents' continuing to meet. This type of meeting can become a regular mechanism to hold a dialogue and to settle disagreements. This in turn would pave the way for a future Central American parliament, which would be a proper forum to discuss any problems in Central America. There are many peace proposals. This is indeed very interesting. We have finally succeeded in arousing sufficient interest in the countries to propose mechanisms to achieve peace, not just reasons to wage war.

[Moderator] Jose Comac of EL PAIS, Madrid, then [words indistinct] of CBC Radio Canada.

[Comac] I would like to ask you, Mr President, when did you learn about Reagan's peace proposal? Quoting your initial words, you mentioned respect for our way of thinking. Do you think the way this plan was presented agrees with the respect due our way of thinking?

[Cerezo] We learned about Reagan's plan last night, as did most countries and people. In truth, we do not want to say anything about the manner of its presentation, because this plan was presented to the parties and the U.S. Congress. This is why we cannot say we have learned about the proposal officially. When we receive this proposal officially, then we will discuss it. Anyway, I think the proper procedure is to present it to the other party, which is a good idea; we have stressed this. Without a bipartisan policy in the United States, it is difficult to consider the possibility of agreements with the United States on a medium-term basis.

The idea is good, but at the same time it was sent to the other parties it would have been interesting that it was especially also sent to the interested parties to the problem, which are the Central American presidents.

[Moderator] [Name indistinct] from CBC Radio Canada, and afterwards Julio Cesar Robel from Guatemala.

[Name indistinct] Mr President, President Reagan's peace plan makes almost no mention of the other national conflicts outside Nicaragua. Who says that [name indistinct] will have the ability to address the conflict in El Salvador, for example, or in Guatemala?

[Cerezo] The question is very interesting because we feel that the perception of the problem must be a global one and that one should not only address the Nicaraguan problems but also the problems of other countries, despite the fact that these conflicts may be of lesser intensity. But, at any rate, I feel that the way the problem is being approached by the Central American presidents, taking into account that each one of us has different problems, is more [words indistinct].

[Robel] Mr President, I would like to ask you two questions if you will allow me. The first one is regarding the Reagan peace plan. That plan expresses the desire of the U.S. Government to exclude other peace proposals, while at the same time stating that if the two parties mentioned should not reach an agreement, each of the parties may take the action it deems necessary to its interests. What is your opinion about the isolation of the peace process?

The second question is about two opposing positions which your government has maintained regarding your domestic policy and your foreign policy. Your government has favored the dialogue for the resolution of someone else's armed conflicts, but it conditions, or establishes conditions that make the domestic dialogue impossible with the Guatemalan armed opposition. How do you reconcile these opposing positions?

[Cerezo] I do not believe them to be opposing, but I will explain. Concerning the Reagan plan, to be honest I have not felt it excludes the other parties. It addresses all of the Central American countries. For the first time in a U.S. statement, all of the Central American countries are mentioned, including Nicaragua, when it mentions the Caribbean initiative and other matters. But anyway I do not feel it is proper for any of us -- because that would be falling into a trap very easily -- to feel excluded from any part of the statement. We are all actors in the Central American drama; we must feel ourselves included in it. Any statement that excludes the other Central American countries and turns the Central American problem into a dilemma between Nicaragua and the United States is a mistake. I feel the Central American dilemma is a general one because if there is war in Nicaragua this affects the other countries. Stability is necessary for economic development, and that will be attained as long as we achieve peace in all Central American countries.

In the second place, we have in no way conditioned dialogue, because we have not talked about a dialogue. We have spoken about conversations, and I use this word because there is a difference. The conversations are to integrate the Guatemalan political process. The only requisite which the political parties that participate in this country have all fulfilled is that of expressing their [words indistinct] and to obey the law, and to forego the use of weapons. But [words indistinct] the weapons is the problem of those who use them, but in accordance with the Guatemalan Constitution, approved by the people of this country, there is one institution here that has the right to use weapons, and, therefore, any others -- as political parties must participate peacefully.

If at this moment the nongovernment armed groups decided to take part in next year's elections, provided they fulfilled the legal requirements, they could do it unconditionally. But the only thing they cannot do is go seeking votes with machineguns because that is irregular.

[Moderator] [name indistinct] Ibarra from Notimex, Mexico, and then Tom Shelton from National Public Radio in the United States. Mr Shelton is closer to the microphone.

[Question indistinct]

[Cerezo] We are assuming, and I think this is correct, that at some time the United States must be involved in the peace discussions. The United States has something to say, but I feel we Central Americans must lay down the bases of agreement first.

That is, we must agree among ourselves that we really are seeking peace, that we want to respect one another. After that, we must sit down with the United States, or with any other country that does not agree with us about maintaining the peace, to tell them that we want peace and to please seek other ways and other places to resolve their conflicts because we Central Americans would like to separate ourselves from the conflicts and solve our own. But I feel that after a basic agreement has been reached by the Central American countries, the time will come to sit down and discuss things with the United States.

Irina Ruiz, Informative Patrol [name of newscast] of Emisoras Unidas, and then Carmen Paredes Castro of EL COMERCIO, Lima, Peru. It is Notimex' turn now.

[Ibarra] Mr President, only two questions. At the same time that the negotiations start, or let us say the first overtures of negotiations start, a great arms race takes place in the area. We are talking about delivery of interception aircraft to Honduras; we are talking about a lot of helicopters for El Salvador; we are talking about additional weapons for Nicaragua. How can one reconcile the political will with what is really taking place in the field of battle where the contradictions become more and more acute? Secondly, what is the role that Contadora should have at the present time and after this summit?

[Cerezo] First, that is the challenge. I could not tell you now what the solution is because that solution has to be approved by all the presidents. But I can affirm with certainty that one of the subjects we are going to discuss is that of stopping the arms race. But first we have to approve our firm desire of stopping our confrontations. If we do not arrive at positive results, the result will be an arms race because all the countries of Central America are going to be drawn into it. This, of course, leads to the problem I mentioned at the beginning of this news conference, that we are going to spend our money on weapons when we should be spending it on our development. Then, the concrete answer is as follows: It is desirable that one of the subjects to be discussed is that we will reach an agreement to establish a limit to the growth of the armies in Central America. This is one of the objectives of the meeting. It may not be achieved exactly at this time, but a decision should be made to work to develop mechanisms that will establish that limit, recognizing the need that each army has to provide a minimum of domestic security and guarantee national sovereignty.

Meanwhile, Contadora continues to play what I would describe as an important role in every political action. Contadora's moral stance and support, as well as the trust and support we can obtain from the international community for Contadora's decisions will be important. Contadora is necessary to achieve the trust and support of the international community for the peacemaking efforts being made by the Central American presidents. Contadora also represents the Latin American spirit, which we must strengthen.

[Moderator] Juan Paredes Casco from EL COMERCIO, Lima, Peru; David France from USA TODAY; and Armande Mayorga from LA NACION, San Jose, Costa Rica. The first question will be made by Juan Paredes Casco.

[Paredes] I have a two-part question. First, does the document being studied by the foreign ministers include any actions carried out by the Contadora and Support Groups?

Second, from what you have just said I gather that Contadora and the Support Group will only act as moral support groups within the peace process. Am I correct?

[Cerezo] President Arias' peace plan heightens or expands on some of the things that the Caraballeda and Contadora agreements broach in an overall manner. The plan expands on principles and also suggests something new. The initiative includes plans for the fulfillment of the agreements, the dates and deadlines for these agreements. What happens to Contadora will depend on how successful we are. I do not think Contadora would feel offended if we were to reach an agreement, and were to have it participate with its moral support. But moral support would not be the only thing Contadora would offer. Arias' plan calls for Contadora and other respected and respectable international organizations to form commissions that will be responsible for making sure that the agreements are respected. Therefore, Contadora's role would be much more important. It will help carry out a plan that is not a one-act plan. This is not a one-act play. Tomorrow is one of the many stages in the development of a peace effort. Many more acts may follow in the near future.

[Moderator] David France of USA TODAY.

[France] Mr President, some observers believe this new U.S. plan is aimed at hindering the summit scheduled for the next few days, as it [not futher identified] did in June, when the summit was postponed. What is your opinion of this? Second, regarding the Arias plan, how can Washington be forced to accept the conditions expressed in the plan, especially the clause calling for an end to support for the contras?

[Cerezo] I cannot say that Reagan's proposal is aimed at boycotting the summit. I can say he will not boycott the summit. We are going to meet and we are going to discuss matters of interest for us. Anyway, it is necessary to mention that the plan is important because it represents a shift in the traditional stance of the current U.S. Administration. (?I hope) this will be agreed upon by the two parties. Also, the plan recognizes the right to self-determination of the peoples. I do not wish to expand on this matter because we have not studied the plan.

Your second question is on how the United States can be forced to accept the agreements. I would like to answer by saying that I do not think that we are in a position to force the United States to accept an agreement. [Cerezo laughs] But on this occasion I think that if we reach a moral agreement -- an agreement reached by all the Central American presidents -- this will influence the principal actors in the U.S. Government and thus influence the House of Representatives, the Senate, and the administration; our will would be respected. We are hoping to see all aid to the groups fighting against the constitutional process stopped, whether this aid comes from the United States or any other country.

[Moderator] Armando Mayorga from LA NACION, San Jose, Costa Rica, and Mario Rosenthal from THE WALL STREET JOURNAL, New York.

[Mayorga] Have the Central American governments agreed not to discuss the U.S. Government's peace plan during this summit? Second, do you think that some Central American governments will refuse to sign President Arias' plan until they have studied the plan presented by the U.S. Government?

[Cerezo] To be honest, no decision has been reached on whether we will or will not discuss President Reagan's plan. There is no doubt regarding the fact that we will have to talk about it. That is only natural. We could see it, read it, and take it into consideration. However, this does not mean that the summit will reject or accept Reagan's plan. Discussion of it has not been included in the agenda. I think we would have to wait and see if the plan becomes a U.S. bipartisan plan. We have to wait and see if the two U.S. parties will agree on Reagan's plan. This is what makes this plan truly interesting. I have nothing to go on that would make think that a president will refrain from signing an agreement using Reagan's proposal as an excuse. I really do not think this is possible.

[Moderator] Mario Rosenthal, THE WALL STREET JOURNAL; and then Joaquin Ibarra, LA VANGUARDIA, Barcelona, Spain.

[Rosenthal] I want to make it clear that I also represent the weekly NEWS GAZZETTE of El Salvador. Mr President, President Reagan proposes a cease-fire and free elections in Nicaragua. Salvadoran Foreign Minister Ricardo Acevedo Peralta said on Monday that peace for El Salvador means that Nicaragua stop helping the FMLN subversives. I ask, Mr President: In your opinion, precisely what conflicts must stop for peace to be achieved in Central America?

[Cerezo] All the conflicts [laughs] and basically everyone knows there are two conflicts with special importance in the military sector. First, the conflict in Nicaragua and, second, the conflict in El Salvador. We have some problems concerning violence too, but these are mainly of a political nature, not of a security nature. There are different types of conflicts in the other Central American countries, and we would have to refer to all the countries, and particularly how violence affects Nicaragua and El Salvador. That is my opinion.

[Moderator] Joaquin Ibarra of LA VANGUARDIA, Barcelona, Spain; and then Eligio Alvarez Montalvan of Radio Sandino, Managua, Nicaragua.

[Ibarra] Do you not think that Reagan's proposal represents a slap for Latin America and the Latin American spirit that you said prevails in Central America, because it ignores Contadora...[corrects himself] because it goes over Contadora's head? What do you think will be Mexico's reaction concerning a proposal drafted in these terms?

[Cerezo] I cannot predict Mexico's reaction, but I do not like to interpret things as slaps or offenses. In politics we do not treat problems as offenses or slaps; we refer to objective things. If we take offenses and slaps into consideration then we will continue our discussions by slapping each other. I do not take those things into consideration; I do not think that those things are important. The important thing is to achieve basic agreements. If [the United States] did not take Contadora into consideration, it simply made a political mistake.

[Moderator] Eligio Alvarez Montalvan of Radio Sandino, Managua, Nicaragua,; and then Conrado Monroy, Patrullaje Informativo, Guatemala.

[Alverez] I respectfully greet Guatemalan President Vinicio Cerezo Arevalo and the noble and heroic people of Guatemala, as this is where we had our captaincy general until [the achievement of] our independence.

Based on your statement that you are all willing to strengthen the principle of our people's self-determination and sovereignty, I want to ask: How much would you, as representative of the host country, and the other Central American leaders be willing to sacrifice to achieve the goal of strengthening and consolidating the principle of our people's sovereignty and self-determination? Would you follow the example set by our forefathers Pedro Molina, Marcano Aycinena, Manuel Jose de Arce, Cecilio del Valle, and Miguel [surname indistinct] in 1821? If the summit fails -- in the remote chance that it does fail -- what would be Guatemala's position? Would it continue to make efforts, or would it modify its policy?

[Cerezo] We would continue to make efforts.

[Moderator] Conrado Monroy of Patrullaje Informativo, Guatemala; and then Salvador Arguello, TELEPRENSA, El Salvador.

[Monroy] It is being insistently said that the Central Americans should choose their own destiny and, therefore, seek our own formulas for our problems. Nevertheless, it now seems we no longer want to achieve our goals. Now the United States wants to seek solutions with its own proposals. However, what is Central America actually doing to find solutions for the problems afflicting the region?

[Cerezo] Well, the United States' efforts are made by the United States. We will also make efforts. We will then try to reach an agreement. No one has adopted a different attitude so far; we are currently making efforts. We want to find our own solutions and be the interlocutors in this historical situation. However, the United States has presented a proposal and there it is! We will see when we take it into consideration and discuss it at length. However, I insist on this: Too much attention has been given to that proposal and we are falling into a trap. I believe [laughs] our attention should be given to the Central American efforts, and we should stop discussing a proposal that has not even been discussed at length in the United States! Sometimes we make the mistake of giving too much importance to things that are really not that important. This does not mean a proposal from the United States is unimportant, but, for the time being, the most important thing -- what I am really interested in -- is what the Central American presidents will decide tomorrow. We will talk about the United States' proposal, perhaps the Cuban proposal, or the Soviet proposal, or the European proposal -- we hope there are some. At least we have some support from them now. Perhaps we will receive a proposal from the Middle East. Anyway, the Central American presidents' proposals is what should [words indistinct]. [laughs] Please, let us not fall into the trap! [laughs] [applause]

[Moderator] Salvador Arguello of TELEPRENSA, El Salvador; and then Maria Dolores Aldiate, UNOMASUNO, Mexico.

[Arguello] Mr President, earlier in this conference you said violence is not good business for the Central Americans. I would like you to clarify whether you share the opinion of certain Central American sectors to the effect that the war does not end in the region because it is an excellent business. Likewise, what will be the most difficult topic discussed by the five presidents during the summit? How will an active neutrality fit into all this?

[Cerezo] Well, yes, the war has unfortunately been an excellent business. This is sad but true. Well, we would prefer not to be the main object in this business. As far as we are concerned, active neutrality means Guatemala intends to seek a consensus without siding with anyone, avoiding polarized positions. We must exert our minds to find positions advocating a consensus, because there is always a possibility of finding a consensus. We are willing to make whatever concessions are necessary. One of the first examples is that we have not presented a peace proposal. We are willing to analyze all the suggestions and (?make our own).

[Aldiate] Maria Dolores Aldiate of UNOMASUNO, Mexico. Mr President, the Costa Rican foreign minister has informed us that the document to be discussed by the presidents tomorrow includes substantial changes made in the plan presented by President Oscar Arias. Can you give us details [words indistinct] those points and whether the order of the cease-fire measure and subsequent democratization measures has been inverted?

[Cerezo] I do not think so because this would definitively mean advancing matters that must be agreed to by the presidents. However, the second reason I cannot say anything in advance is that these are the topics under discussion at this very moment -- whether the cease-fire will be later or simultaneous. In sum, I sincerely cannot say anything. I would be glad to do so otherwise. Besides, the presidents would call me on the carpet tomorrow for going ahead and giving information in advance [words indistinct].

[Moderator] Amparo Amaya of the "TV Today" newscast of Colombia, and then someone from Radio America because we have two, that is, [words indistinct] for you to select.

[Amaya] Mr President, you have said, and this has been acknowledged by everybody in Central America and Latin America, that all of these political efforts are being made in order not to break the dialogue and to avert war in this region. However, while you speak at the presidents and foreign ministers levels, the people continue to experience the bloodletting of the war. The peasants have emigrated. The people are not thinking of working but of getting a revolver or a knife to kill. What have you thought about [words indistinct] the region's social and economic deterioration?

[Cerezo] This is actually the million dollar question because what is currently happening in the country and what really worries us is that time is passing and people continue dying, particularly in some areas in Central America. So, this is the reason and what we plan to do [as heard]. One of the desires expressed by the presidents is that we do not leave without doing something to ease the level of the confrontation. However, [word indistinct] the basic aim would be to try to at least arrange a truce, to at least stop the conflict somehow until other solutions are swiftly and more strongly sought because we are conscious of what is happening. In addition, each Central American country is making national efforts to gradually reduce violence and to establish conditions for greater participation instead of greater armed participation.

This is what we are doing. I think the others are doing the same. However, one of the chief points to be discussed is how the process of reconciliation is to begin to scale down the confrontation affecting the people and the obstacles to economic development. However, I do not have a clear response for your question.

[Moderator] Edgar Lopez of Radio America of Honduras.

[Lopez] Since this process is a play in many acts, as you said, do you not think this peacemaking process in the area may lose seriousness? Today, the United States presented a peace plan. Tomorrow, it may be some other country. Do you think the peace process in Central America may lose seriousness because of this?

[Cerezo] It would be a pity if it lost seriousness because when peace efforts lose seriousness, war takes on seriousness and then begins a different type of history which we do not want to continue living, as I said from the start. Naturally, one of the concerns voiced by (?all of the presidents) is that we must not come here to hold an exclusively declaratory event, but that we also adopt effective practical, decisions.

[Moderator] Maria Cortina of Radio Antena Tres and then Blanche Petrischi of Mexico Work Day [JORNADA MEXICO].

[Cortina] Mr President, of all topics to be dealt with at tomorrow's summit, which particular topic would be the most controversial, in your opinion?

[Cerezo] [Words indistinct] corresponding to each one of the countries in a different manner. It could be, for example, the process of internal democratization, as it has been called -- I insist that I am not characterizing this -- the process of political opening or the lifting of the state of emergency law in Nicaragua. This is a topic for discussion because it has much to do with self-determination and what laws will apply or what rules will apply in all the Central American countries.

The other topic is the agreement not to facilitate territory for helping irregular groups attack other countries. I would say these are the (?crucial) topics, (?in that order).

[Reporter] Mr President, based on the emphasis you have placed on the aspect of self-determination; based on the statements repeatedly made by some of the foreign ministers meeting here -- some of the foreign ministers...[changes thought] there has been much insistence in that the Nicaraguan Government [word indistinct] holding of elections at a given time, which corresponds to a sovereign decision. How can this problem be handled at the summit meeting? How does your government think the problem of democratization and self-determination must be broached?

[Cerezo] We have established a very clear position on this aspect [word indistinct] with respect to the internal [word indistinct]. There are certain general standards that affect all countries, like the freedom to legally organize oneself politically or the freedom to hold demonstrations and to organize oneself publicly. However, generally speaking, the constitution of each country must be respected. This is my opinion.

[Moderator] Jose Rodolfo Ibarra of Telenews [Telenoticias] of Channel Seven of Costa Rica; and then Odette Garzu of Iberia Press, Spain.

[Ibarra] Mr President, bearing in mind the surplus of plans or options of the last few hours, first of all, what real possibilities do you see for achieving peace in the area and of keeping the overall Central American plan from failing like Contadora? Second, in what exact [word indistinct] the Costa Rican peace plan?

[Cerezo] To talk of possibilities 24 hours before a meeting of this kind is too (?compromising). However, I can indeed make assertions or talk about a (?position). I feel there is a positive climate; there are clear conditions to be able to reach some type of agreement and, for this reason, I am going to go into the meeting with much optimism. This is my position. The opposite could be the case, but such things always occur in life. I think there is the right climate to be positive. Second, I have nothing specific against the agenda [temario].

[Moderator] Since it will soon be time for the evening television newscast in regard to these media, we will have only two more questioners. They are Odette Garzu of Iberia Press and William Ruiz of EL NUEVO DIARIO.

[Odette Garzu] Mr President, as the initiator of Esquipulas I and Esquipulas II, as creator of the Central American parliament, Guatemala has taken on a role of leadership in the region, but this peace plan has been supported by Costa Rica and Honduras, with modifications by the Salvadoran Government, and now Reagan's plan has emerged by surprise and Nicaragua has answered. Do you have any new suggestions for peace? What plan will Guatemala support?

[Cerezo] I would prefer not to talk about leadership. I want to emphasize this because this does not provide the proper climate for negotiations. Each president, at this time, has exerted a form of leadership, but what we should promote is the proper climate so that all of us can truly be an important part of a solution. Guatemala has simply adopted a position, and this has given the Central American issue a basic personality. I do not want to discuss this because there are groups who only look at the difficulties and not at the positive results. The truth is that diplomatic efforts in Central America have increased enormously, and the possibility of these efforts yielding results has increase 100 percent in comparison to what was achieved in Esquipulas I.

Therefore, I have simply stated our position, but now I am supporting the initiatives of the other presidents. My position will be one of trying to choose the positions that have the greatest possibility of establishing a consensus among the five presidents and are aimed at resolving the problems that affect all of us, while taking into consideration the concrete realities of each country. This is my position.

[Ruiz] Good evening, Mr President. I understand democracy is not perfect throughout Central America. In Esquipulas I, if my memory does not fail me, the summit decided to respect the self-determination of peoples and the internal policies of countries. I would like to know if you have insisted -- and you just mentioned it during this conference -- on the democratization of Nicaragua, because as I said before, democracies in Central America are not perfect, and it seems to me that this falls within the realm of Nicaragua's internal affairs, within its ideology, which should be respected by other countries.

[Cerezo] [Words indistinct] that has been stated by the presidents and because, in fact, some Nicaraguans state the need to create the necessary conditions to participate in politics. There are Guatemalans who say they would like conditions to improve so that they can participate in politics, and I feel that we should listen to them and create better conditions for political participation.

The fact that we have all gathered here means that somehow we accept, on an international level, that we must each say something about the internal situation in each country. However, that is why I have said there are rules governing the issue of respect for the internal laws of each country.

[Moderator] Ladies and gentlemen, if the president has no further statements....

[Cerezo] I am going to extend this period because there is a reporter who has been asking to speak for a long time. Then we will conclude because I believe we have practically discussed all of the issues.

[Pelalba] Alan Pelalba of the independent "El Pensamiento" newscast in Nicaragua. Thank you, Mr President. I would like you to tell me something. First, you say that Nicaragua must be democratized, but you say nothing about El Salvador. What must be done in El Salvador? Second, tonight Erick Ramirez, president of the Nicaraguan Social Christian Party, told me that Gorbachev and Reagan have a peace plan, and he has a letter that states this. In Nicaragua, it is said you are involved in the letter Erick Ramirez has regarding the peace proposal. Third, I want to say something about your neutrality, Mr President. It is said that in Guatemala there are doubts abut this neutrality. Today the contras circulated a flyer, and all of these things create a certain confusion. I would like you to clarify these things, and I want to ask you to be very clear because I speak for a newscast in Nicaragua that is not Sandinist, but independent, and follows an independent line.

[Cerezo] The people have a right to have doubts, but it is impossible to (?avoid) one of the things that has worried me throughout my political life, and that is to try to clarify all doubts, because that is not possible. I maintain a position, and firmly believe in something the Guatemalan people say, which is a truth as large as a church: By your works you shall be known. I may act one way as a neutral, and commit myself, but here in Guatemala there are people in all the political groups and all the parties. This should not offend anyone because we are not offended if Nicaragua is friendly with the guerrillas attacking Guatemala. On the contrary, it is good they can express themselves in Nicaragua and say things they cannot say in Guatemala. I hope that some day they will come and say these things here. However, we are not offended by this. President Ortega has the right, and it is good for him to maintain relations with all the countries of the world. We will [as heard] also have this. We respect this and hope we will be respected as well. However, the decisions and description of neutrality are made by the Guatemalan Government with its deeds and its political position.

I did not speak of democratization in Nicaragua. I said it was one of the topics discussed today, and that it is a fact that some Nicaraguans feel political conditions should be broadened. They have stated this and we are going to discuss it with President Ortega and the other presidents at the meeting. In addition to this, there is also an armed controntation in El Salvador, and efforts must be made to create conditions so the people who are fighting in the mountains will decide to participate politically. This is my position, and the position that everyone should have, to create conditions and strengthen them so that all of the political sectors of any ideological tendency can participate in the political struggle, without weapons and through the path of organization, votes, and popular participation.

[Question indistinct]

[Cerezo] Erick Ramirez and I are not friends and I cannot influence an intellectual like him. I would hope this were so; I have been influenced by many other people and politicians, and this is not strange. Modern politics are basically characterized by the influence some countries exert on others, some intellectuals on others, and some political leaders on others. I hope some day I will reach the level of being a teacher of politics so I can influence others. However, I am still a long way from reaching that level of wisdom. [applause]

[Lopez] Randi Lopez of CNN. If you do not mind, I would like to ask you a question in English that you have probably already answered; we need your answer in English for our televison network.

[Cerezo] That will cost extra. [laughter]

[Lopez] No comments. Well, can I ask a question in English now?

[Cerezo] Sure, but only one question please.

[Lopez, in English] What is your reaction to President Reagan's proposal, to President Ortega's reaction to it, and to the impact it will have on the presidential summit scheduled to take place tomorrow?

[Cerezo, in English] (?We receive peace) initiatives looking for or seeking for the peace in Central America with a lot of interest; we are going to study and discuss this project because the main goal of this meeting is to discuss the proposals and the programs from the presidents of Central America. Later, we are going to discuss the program and the proposal of President Reagan, because we are very interested in giving the Central American countries the most important role in the discussion about the history and tragedy of Central America.

BOMB WOUNDS 6 U.S. SOLDIERS, 4 HONDURANS

PA100343 Panama City ACAN in Spanish 0315 GMT 10 Aug 87

[Text] Comayagua, Honduras, 9 Aug (ACAN-EFE) -- Six U.S. Army soldiers and four Honduran civilians were injured when a powerful bomb went off in a restaurant.

Deputy Police Lieutenant Cesar Martinez Rivera has reported that the bomb exploded at 1935 local time (0135 GMT) on Saturday in a restaurant in which there were about 12 people, 10 of whom were slightly injured.

The soldiers are part of the U.S. troops stationed at the Honduran base of Palmerola, 5 km south from Comayagua.

The bomb -- the device was between 12 and 14 inches long -- was similar to fragmentation grenade and contained black powder.

ARMED FORCES REPORT 1 AUG EPS BORDER ATTACK

PA042314 Panama City ACAN in Spanish 2254 GMT 4 Aug 87

[Text] Tegucigalpa, 4 Aug (ACAN-EFE) -- The Honduran Armed Forces charged today that EPS troops attacked military units in three townships of El Paraiso Department on the Nicaraguan border on 1 August.

The attack on the townships of El Tablazo, Tronco de Ocote, and La Gonglona occurred between 1800 and 1900. There were no casualties on the Honduran side, it was reported officially.

The attack was staged with rifle and artillery fire and was repelled by the Honduran troops, who forced the Sandinists to retreat.

In a press note, the Honduran Armed Forces states that that type of provocation by the EPS "does nothing but heighten the tensions and concerns between the two countries."

It also warns that it will repulse any type of armed aggression to safeguard the safety of the people, national sovereignty, and territorial integrity.

ACTIONS BY U.S. AMBASSADOR DAVIS CRITICIZED

PA071521 Panama City MATUTINO in Spanish 7 Aug 87 p 7

["Space for Opinion" column by Mireya Hernandez]

[Text] It is inconceivable how an ambassador of any country can meddle in internal political affairs as Mr Arthur Davis is doing in Panama. It is also inconceivable that in view of all the evidence of his active participation, of talks, and direct consultation and decision, the U.S. Embassy maintains that "it is a harmful political campaign during the last few weeks." [sentence as published]

We believe this open intervention in our domestic problems is harmful; we believe the presence of the ambassador and his daughter in demonstrations staged by the Panamanian opposition is harmful. We believe as harmful and unforgivable the promotion of clashes among Panamanians, because in our country politics and relationships among political parties are characterized by dialogue and discussions in which no blood has ever been spilled.

Benito Juarez, the great Mexican leader of copper-colored skin and hands made for liberty, once said that among men and nations peace is the respect for someone else's rights. Likewise Omar Torrijos, with his popular philosophy which made him great, once said we had our own aspirin for our illnesses.

And if up to now, we have never had to ask our powerful brothers to iron out the differences in our country, we do not see why, at this stage, we have to accept the open intervention that violates the sovereign rights of our country.

Those people who are inside and out, [not further identified] we must tell them very strongly it is time we stop, it is time to show your faces and assume responsibility for the actions committed against the constitutional government of the Republic of Panama.

It is time we realize that the damage done to the country by strikes, the promotion of hate, and attacks on people can be huge. We must first think of our children's and Panama's future before following that beaten path where hate is sown.

U.S. 'Supports' Opposition

PA071440 Panama City CRITICA in Spanish 7 Aug 87 p 5

[From the "Scoops" Colomn]

[Text] The following is evidence that the U.S. Embassy is involved in all of this mess of the "cynic" [play on words of "civic"] groups: A very elegant lady was saying to another lady on Balboa Boulevard [street on which the U.S. Embassy is located] that she had just returned from the U.S. Embassy and had not been given a check for B/6,000.00 to cover bail for [opposition leader] Miguel Antonio Bernal so he would not be imprisoned.

She said she had talked over the telephone with Counsellor Maisto [DCM of the U.S. Embassy] who told her the check was ready, but the secretary was very rude and did not give her the check. Such manners.

[Column accompanied by 1" by 2" photo of John Maisto with following caption: "He continues to interfere".]

PAPO HEADQUARTERS ATTACKED, NO ONE WOUNDED

PA072108 Panama City ACAN in Spanish 2007 GMT 7 Aug 87

[Text] Panama City, 7 Aug (ACAN-EFE) -- Carlos Ivan Zuniga, president of the People's Action Party [PAPO], has reported that early this morning unidentified individuals opened fire with pistols and shotguns on the party's headquarters. No one was wounded in the attack.

Several windows were partly destroyed and journalists were able to see the empty casings and fragments from the lead of the bullets in the headquarters of the opposition party.

According to Zuniga, the attack was staged by a progovernment armed group. Zuniga denied there have been any negotiations between the opposition parties and the government, as some reports have indicated in the last few days. The opposition leader said the street protests are taking place because the people are tired of "the source of public power coming" from the Defense Forces.

Merchant Aurelio Barria, the father of the president of the Chamber of Commerce and leader of the opposition Civilianization Crusade, has reported to the local human rights committee that for the last three nights, his business establishment has been attacked by bands of armed men.

Barria reported that last night, 15 men armed with shotguns fired at his automobile spare parts and computer equipment store. He added that no one was wounded.

According to Barria, for the past several weeks, his family has been receiving telephoned threats and has been watched by men in plainclothes, because the president of the Chamber of Commerce is a leader of the antigovernment crusade. An arrest warrant has been issued for him but to date, it has not been executed.

POLL REVEALS MOST PEOPLE WANT NORIEGA TO RESIGN

PA090144 Panama City ACAN in Spanish 0059 GMT 9 Aug 87

[Excerpt] Panama City, 8 Aug (ACAN-EFE) -- Eight out of every 10 Panamanians believe that General Manuel Antonio Noriega, Commander of the Army [as received] is running the country and that it would be difficult, while he is in power, to hold honest elections.

According to a poll held during July by a Costa Rican company linked to the Gallup international poll, most Panamanians want Noriega's resignation. The poll included 638 people, chosen by sex (51 percent male, and 49 percent female) and age (mostly between 25 and 34 years old) so it would be representative. [passage omitted]

OFFICERS INVOLVED IN EASTER REBELLION DISCHARGED

PY081807 Buenos Aires Domestic Service in Spanish 1600 GMT 7 Aug 87

[Text] Military sources confirmed this morning that Aldo Rico and former major Ernesto Barreiro, who were involved in the Easter Week Rebellion, have been discharged [from the Army].

The sources said that, in keeping with a decision made by the defense minister, the discharge from active duty of both mid-level officers was published in the classified Army bulletin.

Nevertheless, Rico and Barreiro will continue to be considered Army officers in order to be tried by the military courts which will rule on Barreiro's refusal to appear before the courts in Cordoba and on Rico's refusal to obey a court petition to lay down arms at the infantry school, headquartered in Campo de Mayo.

GOVERNMENT LAUDS RESULTS OF C.A. SUMMIT

PY081224 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0115 GMT 8 Aug 87

[Text] Buenos Aires, 7 Aug (NA) -- The Argentine Government tonight celebrated "the fruitful results" of the summit of the five Latin American presidents who signed a document in Guatemala "to establish a firm and long lasting peace" in the region.

The Argentine Government's position was made known tonight through a Foreign Ministry communique "congratulating all the Central American presidents for their extraordinary effort for peace, reconciliation, and democracy." The communique also states that "the conclusions reached and compromises made in Guatelama" tonight "give new hope to peaceloving peoples and governments."

The Argentine Government also reaffirmed "its unwavering commitment to a peaceful Central America," and added "it will continue to cooperate with the Central American peoples and governments until peace really reigns in the region."

SOURROUILLE ON INFLATION, DOLLAR RATE, FOREIGN DEBT

PY071937 Buenos Aires Domestic Service in Spanish 1600 GMT 7 Aug 87

[Text] Economy Minister Juan Sourrouille said inflation has not been curbed in Argentina. Juan Sourrouille added that we are experiencing a time of difficult transition. He admitted the June inflation rate -- 10.1 percent -- is high.

Sourrouille explained that the high inflation rate is due to the increase in meat prices and fiscal problems prompted by the increase in utility company rates. He said the June inflation rate is a sign that must be borne in mind.

The economy minister confirmed that at the labor-management arbitration boards the workers and the businessmen will first discuss working conditions and then wages. Once the type of work is classified, we will be able to discuss how much it is worth and how much should be paid for it, the finance minister added.

Sourrouille ruled out the implementation of an austral maxi-devaluation. He made it clear, however, that the increase in the black-market dollar exchange rate is at odds with the government's targeted rate.

Addressing the foreign debt issue, Minister Sourrouille said it is under control and there is no room for surprises. He recalled that nearly $2 billion, derived from foreign debt renegotiations, will be flowing into the country in August and September.

COOPERATION ON NUCLEAR ENERGY STABILIZES REGION

PY061952 Buenos Aires TELAM in Spanish 1456 GMT 6 Aug 87

[Text] Geneva, 6 Aug (TELAM-EFE) -- Mario Campora, Argentina's ambassador to the Disarmament Conference, affirmed today that the cooperation on nuclear matters between his country and Brazil can reinforce regional stability.

Addressing the Disarmament Conference in Geneva, Campora said the international community has been informed of the close cooperation between Brazil and Argentina in the field of peaceful use of nuclear energy. He added that this cooperation is the most significant contribution the two countries can make to regional stability and it demonstrates before the world's public opinion the exclusively peaceful purposes of the two countries' nuclear policy.

Mutual confidence between the two countries, based on the exchange of scientific information, visits to the respective nuclear installations, and joint projects, is the best safeguard for the peaceful use of nuclear energy and non-proliferation of nuclear weapons.

After expressing congratulations to Brazilian ambassador Marcos Castcioto, the Argentine ambassador stressed the need to intensify negotiations leading to a convention banning the use of chemical weapons, before another form of arms race can pick up momentum. He added: We believe it is quite possible to attain, within a reasonable period of time, a convention which could dispel the danger of chemical weapons and consolidate the security of all nations.

Capora said he expects the convention on chemical weapons will not be discriminatory, because all states will be on an equal footing once the destruction of chemical weapons and their production installations is completed.

BRIEFS

COCAINE SEIZED, TRAFFICKERS ARRESTED -- The National Border Police conducted two antinarcotic actions, arresting two Bolivian citizens and seizing 4 kg of cocaine hydrochloride worth 200,000 australs. The actions were conducted in Tartagal in northern Salta province. (Alvaro Condori Parra), who hid the cocaine in his clothes, and Andres Toro Cuellar were arrested. [Text] [Buenos Aires Domestic Service in Spanish 0200 GMT 28 Jul 87 PY]

PRESIDENT SARNEY INSTALLS INTERIOR MINISTER ALVES

PY081815 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT Aug 87

[Text] President Jose Sarney yesterday installed former Sergipe governor Joao Alves as interior minister. In his installation speech, Minister Joao Alves thanked President Sarney for his confidence and for asking him to occupy a post that is extremely complex and important. Joao Alves said the liberation of the north and northeast will have a broad effect on the Brazilian economy.

[Begin Alves recording in progress] ... and Your Excellency, who is very familiar with this huge country. However, you are basically familiar with the poorest regions. Your Excellency, President Sarney, a man who has been a governor and was born in a state which lies in the center of one of the poorest region in Brazil, that is, the north and northeast, is especially aware that the liberation of these regions is not only important for Brazilians living there but also for the developed and industrialized regions of the nation, which will be the great beneficiary inthe end. Nearly 40 million people in northern and northeastern Brazil would join the consumer market after this liberation, with a broad effect on the economy, which would especially benefit industries in the country's most developed regions. I am aware that the Interior Ministry's role involves the entire country, from Acre State to Rio Grande do Sul State. However, I am fully convinced that a more sensitive role benefits the Interior Ministry -- precisely, to be concerned with the goal of having the many Brazilians in the poorest parts of the North and Northeast join the drive for economic development. [end recording]

The interior minister said this main goal will be to work for the poorest people. He added that to be interior minister in a country like Brazil means to try to reduce social inequities.

[Begin recorded interview with Minister Alves, in progress] [Alves] .. obviously honored by this decision. [passage indistinct]. However, I am also fully aware of the great challenge of serving in a post that is complex.

[Reporter] Will Senator [name indistinct] become the new SUDENE [Superintendency for the Development of the Northeast] superintendent, Minister? Can you give us his name?

[Alves] No. I cannot. I feel it is up to the president of the Republic to announce names.

[Reporter] Could you face the same problems your predecessor did?

[Alves] I am not well acquainted with the details, with the problems faced by former Interior Minister Joaquim Francisco Cavalcanti. He is a congressman, an extraordinary and qualified statesman. I really do not know. Thus, I cannot get involved in the details or personal problems of Minister Cavalcanti.

[Reporter] What is your main goal after assuming the Interior Ministry?

[Alves] I feel the Interior Ministry serves the entire country. The Ministry must especially serve the poorest regions in the North and Northeast, seeking to reduce inequities which have almost divided Brazil into two nations, a developed nation and an undeveloped one. I believe the Interior Ministry's main role is to balance those regional differences.

[Reporter] What criteria will you use to distribute posts? That was the bone of contention during Cavalcanti's tenure. What are your criteria?

[Alves] One must first assume office, get acquainted with the problems, and then discuss those details. [end recording]

Alves also said he will be a Democratic Alliance [AD] minister and the AD is essential to the nation's future. He added: I will be Brazil's minister, especially for the neglected ones, whom President Sarney has called the great challenge of his administration.

President Sarney thanked former interior minister Joaquim Francisco Cavalcanti for his cooperation, praising his qualifications and dedication. Sarney said the post of interior minister requires a person capable of finding solutions and concentrating efforts through a spirit of conciliation. The president announced that the first job for the new interior minister will be to review the projects in progress in the North and Northeast. The goal is to check on the projects that are facing bureaucratic problems and expedite them.

Gives News Conference

PY072004 Rio de Janeiro O GLOBO Television in Protuguese 1400 GMT 7 Aug 87

[News Conference granted by President Jose Sarney at Planalto Palace in Brasilia on 7 Aug]

[Excerpts] Jandira Gouvea from O ESTADO DE SAO PAULO and JOURNAL DA TARDE: The interior minister tendered his resignation yesterday, hurling severe criticism against your government. He even said you are experiencing great difficulties governing and predicted that your 5-year office term would not be completed unless changes are made in the administration. Also, the reaction from the PMDB [Brazilian Democratic Movement Party] over the dismissal of Doreni [Sampaio, Superintendency for the Development of the Northeast] was not favorable. There are some who are saying Democratic Alliance [party coalition supporting the government] is in crisis and the situation may help the rally for direct presidential elections being held today in Caruaru. I would like to know how you would administer the crisis and stay in power until 1990?

[Sarney] In the first place, I do not see any crisis. Democratic governments always have administrative problems. Also, I did not perceive any strong criticism in the remarks of resigning minister Joaquim Francisco Cavalcanti. This is an episode that may be repeated; as it has been repeated in any government. I believe we should look forward, not backward. So we will begin this news conference by saying the episode is closed and by announcing the name of the new interior minister. He will be former Sergipe state Governor Joao Alves. [passage omitted]

Odail Niguero from VEJA magazine: Mr President, after events in Leme, Sao Paulo state, last year, in an interview with O ESTADO DE SAO PAULO, you attributed the violence that took place there to the Workers Party. After the demonstrations in Brasilia in November last year, the government expressed identical accusations to the PT [Workers Party] and CUT [Single Workers Confederation]. Finally, after the bus you were riding in Rio de Janeiro was stoned, the government attributed that action to radical pro-Brizola [Former governor of Rio de Janeiro Leonardo Brizola] groups. Since the police investigations did not substantiate those suspicions, to whom would you attribute those incidents today?

[Sarney] I believe nobody can deny the existence in the country, like in any other country, of a radical sector bent on destabilizing the democratic process. This sector follows a scorched earth policy, which is most inadvisable. We are going through a process of democratic transition, of consolidation and liberalization. Still there are some extremely radical groups, minority groups that practice violence. We cannot allow those groups to disturb the normal development of democracy in the country. [passage omitted]

Now, your question gives me a chance to say that I was not moved by resentment or hatred when I ordered that those acts of violence be investigated and clarified. Consequently, I will send to Congress a bill granting amnesty to all those who participated in those acts next Monday. My gesture is meant to prove that I harbor no resentment or hatred, that I am not defending a personal position, merely defending the principle of presidential authority, which all Brazilians must defend. I will do so to demonstrate I am not a man who feels hatred or resentment. [passage omitted]

Memelia Moreira from JORNAL DE BRASILIA: Mr President, the replacement of the interior minister brought to light the fragility of the Democratic Alliance. In a press interview, the outgoing minister said the alliance is maintained by distributing posts. Both the PFL [Liberal Front Party] and the PMDB want posts. With this policy of parties seeking posts, how can the country be administered? How much longer will we be watching this tug of war over government posts?

[Sarney] In the first place, I do not believe Minister Joaquin Francisco Cavalcanti made that statement. He was minister for 90 days without practicing such a policy. We have a political government, a political and democratic government. All democracies in the world have political governments where officials are chosen within the parties. We want to have parties made up of honest and competent men. How can one conduct government under a democracy without making choices, with a political criteria? Such criteria were not invented by me, but by the Democratic Alliance. I have tried to comply as closely as possible, however, I must say I have paid a high price for fulfilling the agreements made under the Democratic Alliance. Much more serious than a political choice, however, is trying to curb the presidential authority which must be excercised for the benefit of the country. What the president did in the case of the interior minister was to restore the principle of authority, of administrative discipline. And he did so for the benefit of the common good, because the poor population of the northeast cannot be left to their own devices because of a dispute over administrative jurisdiction.

Wolfang Gerth from the GDR News Agency, representing all foreign correspondents: Mr President, considering the difficulties Brazil finds to finance its imports, do you believe it is possible to barter with countries that practice that method of commerce both in Latin America and East Europe?

[Sarney] Yes, we must explore all fields in which we can improve our participation in the international scenario, without prejudice. Our only concern is to defend the interests of Brazil. This concern is shown in the great program of Latin American integration that Brazil started. The first stage of this program was begun with Argentina. We now have a common currency, and a $400-million common fund, which is open to other Latin American nations. This program enables us to have relations with other countries that may use this type of currency in tripartite relations.

In addition to our traditional trade, carried out in hard currency, we are seeking other formulas with which to create a Latin American common market. I am fully convinced our vision will be studied in the future by analysts of the Latin American situation. President Alfonsin and I will start together an historical process for the liberation of this continent.

Luis Carlos Pinto of the Rede Bandeirantes Television: President Sarney, you have had a long parliamentary experience as a congressman. I would like you to explain clearly why it is proving so difficult for you to govern with the politicians. There have been several crises within the Democratic Alliance. Now, for example, Deputy Ulysses Guimaraes has even admitted that the dismissal of SUDENE's [Superintendency for Developing of the Northeast] Superintendent Doreni Sampaio is a confrontation with the PMDB. If Congress approves the parliamentary system, will you govern the country according to this system until the end of your term of office?

[Sarney] Your question consists of three parts. First, I have no difficulty in governing with the politicians. Very much the opposite. I believe I am the president who has met with the greatest number of congressmen so far. I have been holding permanent dialogues with Congress. I was a congressman for 27 years, and I believe Congress is a wonderful school. Although everyone believes the most important thing one learns to do in Congress is speak, I believe the most important thing one learns to do in Congress is listen. In Congress, one learns to be humble. In Congress, we have a daily view of all the national problems. The deputies and senators who serve in Congress dedicate their lives to the interests of the people and not to their own interests. For this reason, I am proud to say I am a politician. I am thankful to life for having made me a politician because I believe politicians dedicate their lives to working for the benefit of others and not for themselves. In this sense, Congress is a great school. The frequent dialogues and debates we hold in Congress are part of the democratic process, the dialogue process. Therefore, I do not have as many difficulties to govern the country as I may have had about learning how to act in Congress. Regarding the comments made by Deputy Ulysses Guimaraes today, I was not fully aware of what was occurring at the public administration level. The political and the administrative sectors are different. I have a great regard for Deputy Ulysses Guimaraes. I have more than regard for him, I have a great respect, a great friendship links us, I admire his life. Nonetheless, Deputy Ulysses Guimaraes knows that, worse than any confrontation with the PMDB, it is very serious for the president of the Republic not to be free to exert his administrative power when he has to exert his authority. This is necessary for the good of the country. I paid a high price for attempting to administer a heterogeneous alliance, but I believe this was, and is, necessary for the country. We will preserve the alliance and hope Deputy Ulysses Guimaraes understands that the president of the Republic must fully exert his authority, and, better still, that the political parties realize they must help the president comply with his duty. They must help the president fulfill his duties, without attempting to prevent him from taking the right attitude regarding the public interest, as occurred recently in the case of the interior minister. His resignation was related to difficulties in the fields of administrative hierarchy, obedience to superior orders, and the public administration organic order. The country knows I am tolerant, that I am entirely open to dialogue, that I know how to dialogue and like to do it. Nonetheless, I cannot compromise the president's authority or the interests of the people when they are endangered. If Deputy Ulysses Guimaraes had considered all these problems, he would not have said, as I do not believe he did, that to have the president exert his authority is a confrontation with the party.

PDC PRESIDENT ON ELECTIONS, DIALOGUE WITH PINOCHET

PY100051 Madrid EFE in Spanish 1729 GMT 9 Aug 87

[Text] Santiago, 9 Aug (EFE) -- Former Senator Patricio Alwyn, current Christian Democratic Party [PDC] president, said he is willing to talk with General Augusto Pinochet.

In statements published by the morning newspapers today, Alwyn said "problems are solved through dialogue, and we want national reconciliation and a peaceful solution, which implies a transition toward democracy."

Asked about what he would tell Gen Pinochet in a hypothetical dialogue, Alwyn replied: "We believe that in order to achieve reconciliation, we must make a great effort to restore democracy." "We do not believe the current regime will lead us to democracy, and that is why one must be willing to introduce some changes," he added.

Concerning the changes he wants, Alwyn said "instead of a plebiscite, we want free, open, and competitive elections for the presidency and Congress, with representatives chosen by the people and vested with powers for amending the Constitution."

He explained his sector wants "an election without a state of emergency, so all sectors can use the television and other mass media, and with guarantees the procedure will be the correct one. We believe this will pave the way for democracy." Alwyn said "if Gen Pinochet or a government-sponsored candidate wins those free elections, he will have moral justification and enough support for all Chileans and the entire world to recognize he is the legitimate authority."

SOCIALISTS SUPPORT CHRISTIAN DEMOCRATIC PROPOSAL

PY072249 Santiago Radio Chilena Network in Spanish 1700 GMT 7 Aug 87

[Excerpts] Ricardo Nunez, secretary general of the Socialist Party, said they are willing to make great sacrifices in favor of democracy. Nunez made this statement in reply to the appeal made by Patricio Alwyn, president of the Christian Democratic Party, who asked all parties to temporarily halt their historical objectives in favor of democracy, coexistence, and solidarity.

[Begin Nunez recording] We believe Chile is experiencing a crucial moment in its history and it is important the political parties be aware of their responsibilities. To achieve this the political parties must understand that their own objectives, their specific missions, will not be fulfilled if they do not reflect the objectives of all democratic forces that desire the freedom and justice which the dictatorship currently denies Chile. I believe Patricio Alwyn's proposal is interesting and important. We support this idea. We believe it important that the political parties today, with high objectives, free of sectarianism, with the ability to see what is really happening in the country -- that is being lead to chaos by Pinochet -- may be capable of organizing a great opposition agreement with the purpose of restoring democracy in Chile. [end recording] [passage omitted]

Ricardo Nunez added that all political parties that agree with free elections and the registration with the electoral court must agree soon on a government program that will be in keeping with the great national demands. He also said they are willing to engage in the transition period following a common path lead by a person in the campaign for free elections.

JUDGE REQUESTS SOCIALIST LEADER ALMEYDA'S RELEASE

PY100041 Madrid EFE in Spanish 1626 GMT 9 Aug 87

[Text] Santiago, 9 Aug (EFE) -- A special judge has requested that former Socialist foreign minister Clodomiro Almeyda be released on bail, subject to approval by the Appellate Court. Almeyda is facing charges for illegally entering Chile in March 1987.

Newspaper reports said today that the request was submitted by Judge Hugo Fuenzalida, who granted a request Almeyda's lawyer, Luis Ortiz, filed on Friday. The judge released Almeyda on $25 bail. Next week the Appellate Court of Copiapo, 804 km north of Santiago, should make a decision on the request for Almeyda's release. Almeyda held the post of foreign minister in the Salvador Allende administration.

The Interior Ministry appealed Judge Fuenzalida's decision through third Region lawyer Pablo Rojas. The case is being heard by third Region courts because Almeyda entered the country in that region.

Two other lawsuits have been filed against Almeyda in Santiago. He has been acquitted for "instigating violence," in violation of the antiterrorist law. The government has also appealed this decision. The other lawsuit will be heard by the Constitutional Tribunal. This case involves charges of disseminating doctrines "that promote violence and a conception of society based on the class struggle." Dissemination of such materials is against Article 8 of the Constitution.

QUAKE VICTIMS RISE TO 6 DEAD, 62 INJURED

PY090147 Madrid EFE in Spanish 0046 GMT 9 Aug 87

[Excerpt] Santiago, 8 Aug (EFE) -- Six people were killed and 62 injured during the tremor that shook northern Chile today.

Claudio Merino, chief of operations of the Arica Civil Defense Board, told EFE that the tremor killed two people in Arica: An adult and an 11-year-old boy; both casualties remain unidentified. The third fatality was Andrea Castro, a 45-day-old baby who died in Chipita, a small town located near Arica, Merino said. Merino added that at least 62 injured people have been reported thus far.

Ham radio monitored by local radio stations claim that three more people were killed: One in Codpa, another in Humapalca, and the third in Alcerreca. All these towns are near Arica, the First Region's main city. Chile is divided ito 13 administrative regions. [passage omitted]

GARCIA EXPLAINS SCOPE OF ECONOMIC MEASURES

PA070312 Lima Television Peruana in Spanish 0100 GMT 7 Aug 87

[Text] This afternoon President Alan Garcia received at the Government Palace the representatives of the Association of Small and Medium Businessmen, who expressed their full support for him. During the meeting the president explained the scope of the economic measures adopted on 28 July favored by the majority of the people.

[Begin Garcia recording] We understand that our country has been short in investment capital because it has been a drainage country, a country that exports capital, due to the low price of raw materials and the high cost of the industries established since 1940, due to the interest on the debt, and due to the export of capital to private accounts abroad, our country has produced little and what little it has produced, it exported, to be sold abroad.

What we have wanted to do all this time is to stop the drainage of currency and dollars abroad, by limiting payments on the debt and by controlling now the currency market through strict exchange controls, and also by limiting the outflow of surpluses and remittances abroad. That great objective is the reason for these measures.

We are not just the managers of a momentary crisis to control inflation and to prevent price increases. We are a political party. We said so during the campaigns and we believe in social justice. Social justice does not mean that everyone is forced to be the same, it means preventing great concentrations of power that maintain injustice forever, that is, inequality. On this subject of justice, on 28 July we set into motion a goal that has shaken many consciences and that is generating traumatic statements because some believe that the sky is falling and that the land will change, as in Genesis.

The trouble is it is very comfortable to maintain the status quo, but creating politics means to change the relationship of power among social groups. One cannot develop a society if one does not change the relationship of power and the economic relationships. Our country is in crisis not because it had bad governments, although ours might be one of them. Our country is in crisis because it is badly constructed, because it is a centralized country and there is a division between Lima and the rest of the country. There is also a division between the big modern industry of Lima and the craftsmen of Juliaca, or the peasant in the field. There is a division among economic sectors, between modern industry and agriculture, like the division between Lima and the provinces. But there is also a division between a small group with great industrial and financial power and the rest of Peru; that is, craftsmen, peasants, and small and medium business owners.

Unless these divisions are eliminated, the country cannot prosper, and the crisis is the result of these serious contradictions. [end recording]

SUBVERSIVES ATTACK PALACE WITH MORTAR SHELLS

PY061210 Lima RBC Television in Spanish 0404 GMT 6 Aug 87

[Text] At about 2200, subversives attacked Government Palace with mortar shells. Residents of the Trujillo section in the Rimac neighborhood reported that the attack was launched from that section of town.

Witnesses reported that two Palace windows were hit by mortar shells. The police immediately cordoned off Government Palace and began firing warning shots. The area remains under heavy guard and no further information can be obtained.

[Begin recording] [Unidentified witness] At 1245 several explosions were heard near Government Palace. Very little information has been obtained from the police or Armed Forces. All streets and avenues leading to Government Palace are under tight control by police and soldiers. Some explosions were heard near the palace. That is all.

[Reporter] Do you know if anyone has been injured?

[Witness] No, no. [word indistinct]

[Reporter] Shots have been heard.

[Witness] We were here.

[Reporter] These are pieces of leaflets left behind by the attackers. They dropped the leaflets in an unlit area near the Malecon Rimac. [end recording]

Further on Attack

PY061219 Madrid EFE in Spanish 0558 GMT 6 Aug 87

[Text] Lima, 5 Aug (EFE) -- Two explosions, apparently caused by terrorists, occurred tonight in a vacant lot behind Government Palace in Lima.

Radio station sources reported the explosions occurred in a dump near the Polvos Azules Market and did not cause any damage.

Military forces guarding the Government palace area immediately opened fire, apparently shooting into the air to deter a possible armed attack.

Military men seized a video tape recorded at the scene of the explosion by "Frequency 2" reporters. The station called the seizure "an attack against press freedom, which we hope will not be repeated."

"Frequency 2" also reported that the military men seized film from a photographer for the newspaper EXPRESO and from a Brazilian photographer.

Daily Reports on Bombings

PY062033 Lima EXPRESO in Spanish 6 Aug 87 p 22

[Text] Three explosions near Government Palace last night provoked a flurry of activities by police and Army personnel standing guard at Government Palace. The guards even seized film from an EXPRESO photographer and a video cassette from Channel 2 television reporters.

The explosions occurred at 2230 last night after a group of individuals who were riding in a red Ford with dark-tinted windows planted two explosives in the third block of the Rimac Malecon neighborhood. The explosives caused a huge blast.

At the same time, a white Nissan pickup truck stopped at the Pizarro Plaza and an individual got out and hurled an explosive charge near the Haiti Restaurant. The blast caused a hole in the ground.

Security personnel assigned to Government Palace immediately took action and, acting violently, ordered all pedestrians to lie on the ground where they were thoroughly frisked. The EXPRESO and Channel 2 journalists were stopped by military personnel, who forced the journalists to hand over their film negatives while pointing their weapons at them.

Leaflets signed by the Tupac Amaru Revolutionary Movement, which claimed responsibility for these attacks via telephone, were showered on the streets where the bombings took place.

POLICE DISPERSE NATIONALIZATION DEMONSTRATORS

PA050159 Buenos Aires REUTER in Spanish 0107 GMT 5 Aug 87

[Text] Lima, 4 Aug (REUTER) -- The police threw tear gas [words indistinct] marched today to protest the state intervention of private banks.

Francisco Pardo, president of the Banking Association [words indistinct] officials of private banks and credit companies along the swank neighborhood of San Isidro carrying slogans that read "down with the nationalization."

Except for 150 demonstrators who stopped in front of the Mercantile Bank, the demonstrators dispersed when the police arrived, with their eyes irriated by the tear gas fumes.

The Mercantile Bank is one of the 10 banks and 6 credit companies that were taken over by the government last week awaiting the bank nationalization to be approved officially.

Tonight the Congress began a debate on the measure proposed Tuesday by President Alan Garcia to counter the flight of capital and to end the harm caused by the creditors on the poor people of Peru, who are the important pillar of support of the Apristas.

PRESIDENT DEFENDS PARAMILITARY NATIONAL SERVICE

FL302334 Bridgetown CANA in English 1352 GMT 28 Jul 87

[Text] Georgetown, Guyana, July 28, CANA -- The Guyana National Service (GNS), a para-military organisation which has been the subject of much public criticism ever since its launching 13 years ago, is a vital institution for nation-building and is here to stay, President Desmond Hoyte said yesterday. He spoke at the formal opening of a three-week GNS national cadet camp for youths from the country's 10 administrative regions.

In reaffirming the continued validity and relevance of National Service in Guyana, Hoyte stressed that the GNS aims to create a sense of Guyaneseness in the minds of the nation's youths, and to promote love of country while at the same time equipping them with skills needed to develop the country.

Responding to recent criticism of the GNS in the press here, the Guyanese leader said this demonstrated a lamentable lack of understanding, a mental confusion and an ignorance (in the technical sense) on the part of the critics.

The criticism was largely of students of the University of Guyana having to do periods of national service varying from two months to one year and often at a National Service centre in the desolate hinterland, as an essential prerequisite for graduation.

Hoyte was particularly critical of the letter to the editor published in last Sunday's issue of the state-run CHRONICLE newspaper, in which the author, a former UG student, sought to measure the product of the GNS in terms of the country's gross national product (GNP).

There was no way of measuring the human spirit or of quantifying the qualities which make for excellence in a person, he said. National Service, he added, is about developing people and equipping them with skills and attitudes necessary to develop and sustain the nation. And, noting that Guyana's past was marked by a number of prejudices in the society, he said the GNS has played an important role on breaking down many of these prejudices.

We can truly say today that we have a Guyanese nation and in the building of that nation, the National Service has not played an insignificant role, the president said. He also noted that in its 13 years, the GNS has provided basic training for 98,000 persons, including teachers and students, trained more than 4,500 persons in vocational skills, and sent several of its cadres on training programmes overseas. Additionally, it has been involved in direct productive activites in agriculture -- covering crop and livestock production -- and in research, quarrying, saw-milling, furniture and craft production.

There are things which need to be told about the GNS, Hoyte said, and suggested that the GNS and the Ministry of Education prepare a booklet on the institution for use in schools. They shall also consider incorporating the study of National Service into schools curricula.

National Service is a vital institution in nation-building in our country and it is here to stay, he stressed.

Urges True Austerity In Army

FL310046 Bridgetown CANA in English 1715 GMT 30 Jul 87

[Text] Georgetown, Guyana, July 30, CANA -- The Guyana Government, which has slashed military spending in keeping with its straightened financial circumstances, has urged the Army to devise new means of getting the job done, without any loss of loyalty.

President Desmond Hoyte told the Guyana defence force (GDF) Sunday that it must respond to the fact of change, but the values of loyalty, integrity and efficiency should be fixed and immutable in the Army and should suffer no diminution or change.

Hoyte, who is commander-in-chief of the Army, was addressing the closing session of the GDP officers three-day, mid-year retreat at Camp Stephenson, Timehri, 23 miles from here.

In recent months, the GDF has been operating within a framework of what the government dubs purposeful adjustment for an affordable Army, and its size has been reduced by about 200 soldiers.

According to a report on Hoyte's remarks made public today, he cautioned the Army officers that while change was both necessary and inevitable in the Army, it should be neither cosmetic nor superficial and it should derived from the experience of the force and from the knowledge that the new methods are both practical and relevant. He said that operating in the context of reduced financial allocations, the Army must devise new and relevant means of getting its job done.

Commenting on the large number of projects usually undertaken by the Army, the president suggested that in future the Army should undertake only those which are easily handled, which make financial sense, and which promote the objectives of the force.

The changes which are necessary in the force, he stressed, do not reflect any lessening of the value of the force's mission and role. According to the report, Hoyte also took the opportunity to reiterate his personal high regard and that of the government for the GDF, and he urged the officers to ensure the continued respect for the nation by demonstrating professionalism in their performance.

BRIEFS

AMAZONIAN AGREEMENT -- Georgetown, Guyana, 15 July, CANA -- Guyana and Colombia yesterday exchanged instruments of ratification related to agreements between the two countries on Amazonian cooperation and economic, scientific and technical cooperation. The Amazonian agreement provides for bilateral cooperation in the implementation of joint programmes of common interest within the respective Amazonian territories and will facilitate scientific and technological research for the benefit of both nations, the Ministry of Foreign Affairs explained in a press release. The ministry said the other accord makes provision for the implementation of mutually agreed programmes of economic, scientific and technical cooperation, according to the priorities of their social and economic development. The instruments of ratification were exchanged by permanent secretary (policy) in Guyana's Ministry of Foreign Affairs, Noel Sinclair and Colombian ambassador to Guyana, Reinaldo Ospina Caicedo. [Text] [Bridgetown CANA in English 1526 GMT 15 Jul 87 FL]

BOUTERSE, GRAANOOGST LEAVE SUPREME COUNCIL

PA070503 Paris AFP in Spanish 0349 GMT 7 Aug 87

[Text] Paramaribo, 6 Aug (AFP) -- Commander Desi Bouterse, military leader and strong man of Suriname, withdrew along with Chief of Staff Commander Ivan Graanoogt from the Topberaad, the Supreme Council which handles political issues in the former Dutch Guyana.

Leaders of the three political parties traditionally represented in the Topberaad immediately requested a meeting with Bouterse to analyze the consequences of this measure, according to the Surinamese News Agency (SNA).

Nevertheless, Bouterse has already stated that despite his withdrawal from the Topberaad he will continue to work and lead Suriname toward a stable democracy; he asked his officers to do likewise.

Suriname, governed by military forces since 1980, approved a new democratic constitution in March, and the people must approve it through a referendum in September.

The general elections will be held afterwards, in November. Officers of Bouterse's Army asked earlier this week that the February 25 United Movement, comprised of military commanders and intellectual followers, withdraw from the Topberaad.

They requested this to show their displeasure concerning statements of disagreement issued last Sunday by leaders of the three traditional political parties, when they formed a front for democracy and development.

The three parties are former Prime Minister Henck Arron's Suriname National Party (NPS), Jaggernath Lachmond's Progressive Reformed Party (VHP), and Willy Soemita's Indonesian Peasants' Party (KTPI).

The Topberaad is comprised of representatives from four labor federations, two business federations, and the February 25 United Movement, with Bouterse, Graanoogst, and Ernie Brunings, rector of Suriname's University.

The NPS, VHP, and KTPI parties want to meet with Bouterse to establish the new political situation, given the enormous amount of power that the "strong man" has in this small country, with a population of 350,000.

The military government also maintains a tight control of the country to counter the rural guerrillas of former soldier Ronny Brunswijk, which operate in the country's southern and eastern countryside.

25 Feb Movement Names Delegate

FL071805 Paramaribo International Service in English 1730 GMT 7 Aug 87

[Text] The 25th of February Movement has appointed Mrs (Sandra Hoosthowt) as its second representative on the Top Deliberating Council after the movement's chairman, Commander Bouterse, resigned from the Council on Tuesday. This was disclosed this morning during a news conference of the movement.

Commanders Bouterse and Graanoogst resigned from the council after the national army demanded an end to the cooperation with the old political parties. The demand was made after the leaders of the old political parties made remarks on the last which the national army considers insulting and threatening.

Ernie Brunings, who is also a movement representative in the Top Deliberating Council, told the press this morning that the latest developments have shown that certain groupings want to boycott the democratization process. He stressed that the Army is in fact a guarantee for the referendum and general election later this year.

NPS Leader on Resignations

FL071909 Paramaribo International Service in English 1730 GMT 7 Aug 87

[Text] We don't have any reason to step out of the Top Deliberating Council. This was declared this morning to our newsroom by NPS Chairman Henck Arron.

Arron said that the stepping out of Commanders Bouterse and Graanoogst will have no consequences on the political cooperation in the Top Deliberating Council. The NPS, VHP, and KTPI will continue to support the referendum and election, said Arron.

The three parties, which last Friday united themselves under the Front for Democracy and Development have requested a meeting with government leader Bouterse in connection with the recent political developments. Statements by leaders of the front have led to uneasiness in the National Army and the stepping out of the Top Deliberating Council by Commanders Bouterse and Graanoogst.

Bouterse is considering a request by the three parties.

BROKOPONDO DISTRICT RESUMES ECONOMIC ACTIVITIES

FL041915 Paramaribo International Service in English 1730 GMT 4 Aug 87

[Text] The economic activities in the Brokopondo district have been resumed with the completion of a temporary bridge over the Marechals Kreek last week. The Bauxite company, Suralco, can now begin with repair works on the high-tension pylons, while loggers have resumed production and logs are being transported from the area now.

Since the mopping-up operations a month ago by the National Army, the area is safe again and life is returning to normal.

The bridge across the Marechals Kreek was destroyed some 2 months ago by the terrorist gang.